This chapter gives a comparative description of economic policy elites in the period 1966-1998 in Indonesia and Nigeria. It provides an overview of the holders of high offices in government, such as their positions and responsibilities in economic policy-making. It also examines recruitment and circulation of policy elites in the two countries. In addition, fragmentation and characteristics of the technocracy are examined by comparing personal background and political structure. To start off, I present the rise and fall of economic policy elites within the military regimes in the two countries. I then look at stability of tenure of policy-makers, followed by a description of their individual characteristics, such as their education, career path, ethnicity, region and religion, as well as socio-cultural background.
The Military and the Technocrats

Indonesia and Nigeria were both dominated by military regimes from 1966 to 1998. After the failed alleged ‘coup’ by the Indonesian Communist Party (Partai Komunis Indonesia, PKI) in 1966, Lt. General Suharto claimed power from Sukarno. After that, Suharto sat comfortably at the apex of power in Indonesia until 1998, when he was forced to resign by the Reformasi movement. Similarly, in Nigeria, after the 15 January 1966 coup by Ironsi, the military became the masters of political life in the country. During the period 1966 to 1998, Nigeria had two civilians (Shehu Shagari and Shonekan) and seven military officers (Ironsi, Gowon, Murtala, Obasanjo, Buhari, Babangida and Abacha) as head of state.

After gaining power, Suharto did not initially make radical changes in Indonesia’s policy-making institutions inherited from Sukarno’s period. Parliament still existed as the highest policy-making body in the country, although later it became merely a formality. Military involvement in the government, however, was initially limited to filling in some posts in existing institutions, not by changing those institutions. A notable new institution in the early New Order was the National Economic Stabilization Board (NESB), which was established by presidential decree (Decision of President of Republic of Indonesia No. 177, 1966) to address the economic chaos prevailing at that time. The NESB was established to help the government design policies in economic affairs, and it was responsible directly to the president.

In the cabinet, military involvement was limited but fluctuated (see Table 3.2). In the first two years of the New Order (1966-1968), about 40 percent of cabinet members were military officers. However, in the first Development Cabinet (1968-1973), less than 17 percent of cabinet seats were occupied by military officers. The number of military officers increased again in the next cabinet, and reached more than 38 percent in the third Development Cabinet (1978-1983). On average, about 26 percent of ministerial seats were occupied by military personnel in 1968-1998. Military officers held political and security posts in particular, while economic portfolios were given to a group of economists from the University of Indonesia. The only military officers to hold an economic
post were General Mohammad Jusuf at the Department of Industry and Ginanjar Kartasasmita\(^4\) at Bappenas (National Development Planning Board).

In Nigeria, following the 1966 coup, legislative and executive bodies were suspended, and a new government institution was installed to serve as a military administration. The Supreme Military Council (SMC) was established to be the highest decision-making body at the federal level, responsible for all strategic decisions in the country (Elaigwu, 1976). The SMC was changed into the Armed Forces Ruling Council (AFRC) during the Babangida administration, and became the Provisional Ruling Council during Abacha’s period. With the establishment of the ruling military council,\(^5\) there was no room for a parliament. Unlike in Indonesia, where Suharto had great leverage to exercise power as an individual in policy-making, the military leaders in Nigeria had to share power with their colleagues in the ruling military council. There was no exception to this for Gowon, Murtala, Obasanjo, Buhari, Babangida, or Abacha. Because there were many fractions and factions in the military, power sharing and compromise in the ruling military council were inevitable to keep the country together.

During the Gowon period, cabinet members were drawn mainly from among civilians, and less than 13 percent were military officers. Because of the need to keep the country united, Gowon had to accommodate civilians, such as Obafemi Awolowo, who was a prominent politician from the Western Region. Thus, military officers were not the only faces to be seen in the cabinet. After Gowon had been overthrown, it was less rare to find military faces in the cabinet. During Obasanjo’s period (1976-1979), for instance, about 30 percent of positions in the

\(^4\)Ginanjar Kartasasmita, head of Bappenas 1993-1998, was also a military officer, but he was more an administrator than a military.

\(^5\)There were variations in the number of SMC’s members. For instance, there were nine members of SMC in Ironsi’s period (1966), eight members during the Gowon period (1966-1975), 22 members under Murtala Muhammad (1975-1976), 18 members during the Buhari period (1984-1985), and 29 members under Babangida (1985-1993) (Nwagwu, 2002; Siollun, 2009:72,152).
cabinet were occupied by military officers. The number of military increased during Buhari’s period (1984-1985) and Babangida’s period (1985-1992) to 38 percent and 43 percent respectively. In addition, during the military period, ‘cabinets must be understood as subordinated not only to the ruling council, but also to the whims of the individual heads of state’ (Mustapha, 2006:20). Gowon also changed the title of members of the cabinet from ‘ministers’ to ‘commissioners’. This change symbolized the growing supremacy of the military regime over civilian rule.

Interestingly, military leaders in both Nigeria and Indonesia relied very much on the economic expertise of technocrats. When Suharto took over power from Sukarno at a time of severe economic problems, Suharto realized that he lacked knowledge and experience of economic management. Therefore, at the beginning of his period in power, Suharto fully relied on a team of economists from the Faculty of Economics, University of Indonesia (FEUI), led by Widjojo Nitisastro, to manage economic affairs.

The relationship between Suharto and the FEUI economists had started before the New Order began. From 1964, the FEUI group gave economics courses at the Army Staff and Command School (Sekolah Staf dan Komando Angkatan Darat, or Seskoad) in Bandung (Sadli, 1993:39). It was during this period that the economists became acquainted with Suharto, who was a student at Seskoad. At Seskoad, senior army officers were trained to become social leaders beyond their military roles (Sadli, 1993: 39). Therefore, besides military courses, they had to study economics, law, political science, sociology and philosophy. These courses later became pivotal for the success of the military and civilian alliance which overthrew Sukarno’s administration and established the New Order (Sadli, 1993:39).

The economists gained more influence after the Tracee Baru (New Path) seminar in January 1966 and the Second Army Seminar in August 1966. The Tracee Baru seminar was organized by the Indonesian Students Action Group (KAMI) in cooperation with FEUI. The seminar, chaired by Ali Wardhana (Subroto, 2007: 32), was a place where ‘for the first time policy measures to deal with Indonesia’s serious economic
problems could be discussed openly and realistically without political pressure’ (Sadli, 1993:40).

In the beginning, the role of Widjojo and his friends was to be the navigators of the Indonesian economy. They were assigned to the personal staff (*staf pribadi*, or *spri*) of the chairman of the presidium,⁶ and were in charge of economic affairs. Widjojo Nitisastro, Emil Salim, Subroto, Ali Wardhana and Mohammad Sadli formed the team of experts for economics and finance that was coordinated by Colonel Sudjono Humardani by decree (Decision of Cabinet Presidium No. 30/U/KEP/9/1966) on 12 September 1966. In these positions, they were very powerful in economic policy-making, since any economic decisions had to follow their instructions.

When the first Development Cabinet was announced in 1968, Ali Wardhana was the only one of the economists’ team to become a member of the cabinet. However, the economists’ role in economic policy-making remained central, as Suharto appointed them, along with Sumitro Djojohadikusumo, Frans Seda and Radius Prawiro, to the president’s economic experts team, by presidential decree (Decision of President of Republic of Indonesia No. 195, 1968). The role of this group became stronger after the reshuffle of the first Development Cabinet in 1971, when group members gained full control over the economy after all of them were formally appointed to ministerial positions. In the 1971 reshuffle, Widjojo, chairman of Bappenas (*Badan Perencanaan Pembangunan Nasional*, National Development Planning Board), was given ministerial rank, Sadli became minister of manpower, Subroto became minister of transmigration and cooperatives, and Emil Salim became federal minister of administrative reform.

Noteworthy in the relationship between the economists and the military was their shared experience during the struggle for independence.

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⁶Following the arrest of Sukarno’s cabinet ministers, the presidium cabinet, called Ampera Cabinet, was established, led by the triumvirate Suharto, Adam Malik and Sri Sultan Hamengkubuwono IX. Suharto, the chairman, was responsible for security affairs, Adam Malik for international affairs, and the Sultan for economic affairs (Bresnan, 1993:51).
Widjojo, Sadli, and Subroto, for instance, had been members of a student battalion during the revolutionary period. Along with the military officers, they thus shared experience in the military phase of the revolution (MacDougal, 1975:310), which contributed to their closeness. The shared emotional experience served to tighten their bonds, and therefore can be assumed to have enhanced policy effectiveness. Moreover, this life experience may have shaped their attitudes and values, for instance a willingness to serve and sacrifice for the nation.

Rivalry was also part of the relationship between the economists and the military, as can be seen from the case of Pertamina, Indonesia’s state-owned oil company, which was led by General Ibnu Sutowo. Sadli, who was appointed minister of mining in the second Development Cabinet (1973-1978), recalls:

> From the beginning I found handling Pertamina frustrating. Although it was officially under the Department of Mining, its President-Director, Ibnu Sutowo, was a very senior general. Because of Indonesia's open capital account, Pertamina was free to engage in all kinds of foreign exchange transactions and many of its projects were financed from abroad. As a result, the company had incurred many dollar commitments over which the government had no control. (Sadli, 1993:46)

Different approaches to development may have contributed to the rivalry. The economists’ team in the cabinet always paid special attention to prudent macroeconomic management to prevent too high a level of inflation, while General Ibnu Sutowo and his supporters argued that the economists’ policies discouraged private entrepreneurship (Prawiro, 1998b:144). Tensions also arose because the economists’ team could not use the state’s oil revenue for their programs due to Pertamina’s strong position. In October 1974, for instance, Pertamina did not pay any taxes to the government, claiming it needed the money for investment (Prawiro, 1998b:144). The economists’ team also blamed the expansion of Pertamina’s investment for accelerating inflation, which surpassed 30 percent in 1974.
In Nigeria, when Yakubu Gowon (aged 32 years) seized power in 1966, he also lacked experience and economic expertise. Therefore, it is not surprising that he relied on high-level civil servants who had more experience. However, unlike in Indonesia, where technocrats were drawn from academia, the technocratic group in Nigeria during this period was drawn from the bureaucracy (Bangura, 1994:262). In the Nigerian bureaucracy at that time, ‘permanent secretaries’ had a crucial role in policy-making. In administrative ministries, the permanent secretary served as the chief administrator and chief advisor to the minister. A permanent secretary had a wide range of responsibilities, such as formulating policies and determining how they were to be implemented, interpreting policies, coordinating ministry activities, supervising functional execution and monitoring, and safeguarding the ministry’s interests in inter-ministerial meetings and in relation to other agencies (Koehn, 1990:12). Consequently, during Gowon’s period, a group of permanent secretaries with expertise and experience, including Allison Ayida, Philip Asiodu and Ahmed Joda, who had been powerful before the military coup, became even more powerful and therefore they came to be known as ‘super-permanent secretaries’ (Lewis, 2007:134). Civil servants were also quite happy during the Gowon period, because the military agreed to many policies mainly initiated by civil servants (Elaigwu, 1976:104). In addition, Elaigwu notes that interference by the military at the time was considered to be less frequent than interference by politicians.

Besides contributing their expertise and experience, these bureaucrats had also helped the military to keep Nigeria united. Elaigwu (1976:103) notes how they ‘had risked their lives in July 1966 at Ikeja to convince the Northern military men of the necessity to keep this country together. From that point on, […] many of these civil servants developed informal relations with the military men.’ Moreover, since the military

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7Gowon’s technocrats were already in powerful positions before the military period. Allison Ayida, for instance, was permanent secretary at the Ministry of Finance and Economic Development from 1963. Similarly, Philip Asiodu was already acting permanent secretary at the Ministry of Health and the Ministry of Industry in 1965.
officers were more or less the same age (26 to 35 years old) as the civil servants and they had all gone to secondary school together, their relations were much easier than relations with the older politicians (Elaigwu, 1976:105).

The good relationship between military officers and technocrat-bureaucrats, however, did not last long. After Gowon was overthrown by Murtala, thousands of bureaucrats were pushed aside, and a new structure of power was put in place. The emergence of bureaucrats as a *de facto* ruling group during the Gowon period had been seen as improper by the public and particularly by politicians. Philip Asiodu describes it:

The popular image of the civil service during the military rule has been one in which the civil service is seen as being very powerful (more powerful than is traditional and proper), inefficient, overpaid, self-seeking and corrupt. […] The bureaucracy exploited the ‘innocent’ of the military in government and assumed new powers. (Asiodu, 1979:73)

Tension between the military and politicians on the one hand, and bureaucrats on the other hand, had led to mass retirement of civil servants, with more than 11,000 people being retired or dismissed (Asiodu, 1993:389). After the mass retirement, there were no longer any powerful bureaucrats in the Nigerian government like the super-permanent secretaries. The destruction of the civil service ended the technocracy.

It was just after Babangida overthrew Buhari’s administration that some measure of autonomous technocracy returned to Nigeria. At the beginning of his rule, Babangida made known his intention to rebuild relations with the IMF in order to overcome the economic crisis. As noted by Kalu (1996:236), ‘General Babangida declared his intention to reopen talks with the IMF and encouraged public debates on all economic fronts to assist the administration in dealing with Nigeria’s economic crisis’. Therefore, he included Kalu Idika Kalu, a former World Bank employee (Biersteker & Lewis, 1997:306), as well as other technocrats such as Chu Okongwu and Olu Falae in his administration. However, different to the Gowon period, technocrats under Babangida held full power in their ministries as ministers, not as technocrat-bureaucrats as the permanent
secretaries had been. Moreover, after the 1988 civil service reforms, ministerial organization was changed considerably. With the reform, it was now the minister, not the permanent secretary, who held the title of ‘chief executive and accounting officer’ (Koehn, 1990:39). The power of a minister in managing a ministry grew stronger because Babangida also gave the minister authority to act as the accounting officer, a task previously held by the permanent secretary. Technocrats under Babangida, however, did not serve long in the same post. Even though they stayed in the cabinet, their positions were often rotated, with negative consequences for policy formulation and implementation.

**Political Insulation and Division of Labour**

Another feature important to consider is how the military could provide political insulation so that the technocrats could work without too much disturbance, and could concentrate on how to achieve the development agenda rather than playing politics to seek power. It seems that economic ministers in both countries indeed enjoyed insulation from political pressure and activities. In Indonesia, Suharto provided the economists’ team good shelter from political and military pressure. According to Suhadi Mangkusuwondo, a prominent technocrat during the New Order, there was an understanding between Suharto and his economists’ team from the start of the New Order. Widjojo and his team would design economic policies, and Suharto would take care of the political consequences. Since consequences of an economic policy can be very sensitive politically, the technocrats usually provided two or three alternatives so that Suharto had more options (Interview 28/08/2008).

Insulation from political pressure was achieved particularly by the domination of the Golkar party and ABRI (representatives of the military) in parliament. The domination of these two groups guaranteed that government proposals would be approved by parliament. Throughout the Suharto era, parliament was dominated by Golkar, and Golkar was controlled by Suharto. Since there was no real democracy, it was easy for the executive branch to propose and implement economic policies. There was no need to worry about legislative resistance. Whenever a budget plan was proposed to parliament, there were practically no changes made to it at all. Parliament criticized the budget, but they would eventually
agree. Therefore, it was not difficult for the government to make and implement policies.

In Nigeria, economic ministers were also politically sheltered by the head of state. At least this was true for ministers of finance under Buhari, Babangida and Abacha. Whenever there was pressure from military officers or politicians, these ministers could easily turn to their boss for help. Another indication that economic ministers enjoyed insulation from political pressure can be seen from their long periods of service. Soley and Anthony Ani, for instance, stayed relatively long in their position as minister of finance. Soley served as federal commissioner of finance throughout Buhari’s regime (1983-1985), while Anthony Ani was minister of finance during the entire Abacha regime (1993-1998). Since Nigeria did not have a parliament during the military period, it was easier for an economic minister to pass his policy agenda as long as he could convince his military masters. Economic ministers enjoyed the full confidence of the military government in the management of the economy. Their expertise and ‘objectivity’ made their military masters trust them. This is similar to the position of the Indonesian technocrats under Suharto. Indonesian economic ministers felt that they had enough room for manoeuvre to make their ideas work. However, the military masters never let their superiority be surpassed; as Soley, commissioner of finance during Buhari’s administration, said, ‘They always had a way to get what they wanted’ (Interview 12/05/2009). Nigerian ministers admitted that there were demands from military officers, for instance to finance military projects, which could not be rejected even though they would be a waste of government revenue.

Another important aspect of a technocracy is the division of labour within the economic policy elite. This affects not only the degree of coordination among this elite, but also the level of expertise they can obtain and maintain. In Indonesia, Suharto’s team of economists had a relatively clear division of labour; Widjojo was responsible for planning, Ali Wardhana for public finance, Subroto for energy, Sadli for investment, and Emil Salim for the environment. In addition, they made special arrangements among themselves to convince Suharto of the wisdom of their proposals. As a Javanese, Suharto had a Javanese indirect
way of communication that was not always understandable to non-Javanese. Therefore, the economists always selected Widjojo or Radius Prawiro as spokesman to talk to Suharto, because these two could understand Suharto better than the other economists could (Interview 23/09/2008). Sumitro, Emil Salim and Ali Wardhana, for instance, were too straightforward in expressing their opinions; this made them unsuccessful in trying to convince Suharto of something. The clear division of labour among Suharto’s ministers is described by Sudharmono, vice-president from 1988 to 1983. He notes that he was not involved in economic and financial affairs; the economists handled those. However, whenever the topic of law or administration came up, he would join the discussion (Sudharmono, 1997).

In Nigeria, the division of labour among the technocrats was less clear than in Indonesia. As far as other ministerial posts are concerned, it is pretty clear that the other ministers would not interfere in economic affairs. However, within the economists’ team, the division of labour was a bit blurred. This can be seen, for instance, during the structural adjustment program (SAP) period. There was no clear understanding about who was responsible for this program. Even though the minister of finance was Chu Okongwu, it was Olu Falae (secretary of the Federal Military Government) who was known as ‘Mr SAP’. People could not easily differentiate the roles and responsibilities of Okongwu, Olu Falae and Kalu Idika Kalu.

**Stability of Tenure**
Comparing the stability of ministerial tenure shows up a clear difference between policy elites in Nigeria and Indonesia. During Suharto’s period, economic ministers were selected from a very narrow group. Economic ministers in Indonesia’s first through sixth Development Cabinets (1968-1998) consisted of 17 persons who remained in the same posts or rotated within economic ministerial posts. Moreover, this small number of

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8For a Javanese, it is not proper to say directly what he really wants. It is also not polite to openly show disagreement with other people. Suharto, as a Javanese, often did not state his will explicitly, and this made it difficult for his ministers, particularly those who were not Javanese, to understand what he really wanted.
Elites and Economic Policies

ministers was dominated by Widjojo’s group. There were only six persons in charge as minister of finance from 1966 to 1998; on average they remained in the post for 5.3 years (see Table 3.1). Ali Wardhana even remained minister of finance for three periods (fifteen years) before serving for another five years as coordinating minister of economy, industry and development supervision. Similarly, Widjojo was coordinating minister of economy from 1973 to 1983. In Nigeria in the same period, there were fifteen ministers of finance, with an average tenure of only 2.1 years each. A similar contrast can be seen in the Ministry of Trade, Ministry of Industry, and Ministry of Planning. In Nigeria it is only the post of governor of the Central Bank of Nigeria that enjoyed similar stability as its counterpart in Indonesia, staying in power 5.3 years on average.

Table 3.1 Appointments of economic ministers and their average tenure, 1966-1998

<table>
<thead>
<tr>
<th>Ministries</th>
<th>Indonesia</th>
<th>Nigeria</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Tenure (years)</td>
</tr>
<tr>
<td>Finance</td>
<td>6</td>
<td>5.3</td>
</tr>
<tr>
<td>Trade</td>
<td>8</td>
<td>4.0</td>
</tr>
<tr>
<td>Industry</td>
<td>6</td>
<td>5.3</td>
</tr>
<tr>
<td>Planning</td>
<td>4</td>
<td>6.3</td>
</tr>
<tr>
<td>Central Bank</td>
<td>6</td>
<td>5.3</td>
</tr>
</tbody>
</table>

*Source: Author’s calculation*

Coming from the same institution and having similar training, the FEUI economists were emotionally and professionally of the same opinion (Interview 21/08/2008). Moreover, since the small and solid group had worked together for a very long time, ‘they understood and trusted one another well enough “to make verbal communication almost superfluous”’ (MacDougal, 1975:331). Trust and understanding among

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9Shonekan’s and Abubakar’s brief cabinets are omitted.
the economists made policy-making easier, since they believed that they did not individually have personal interests they were trying to advance and that any policy they proposed would be intended by all of them for the country’s benefit (Interview 30/10/2008).

Table 3.2 Ministerial appointments and stability of tenure in Indonesia, 1968-1998

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</thead>
<tbody>
<tr>
<td>Positions</td>
<td>28</td>
<td>24</td>
<td>32</td>
<td>41</td>
<td>41</td>
<td>40</td>
<td>34.3</td>
</tr>
<tr>
<td>Appointed</td>
<td>36</td>
<td>28</td>
<td>34</td>
<td>44</td>
<td>43</td>
<td>44</td>
<td>38.2</td>
</tr>
<tr>
<td>% Military</td>
<td>16.7</td>
<td>21.4</td>
<td>38.2</td>
<td>34.1</td>
<td>23.3</td>
<td>25.0</td>
<td>26.4</td>
</tr>
<tr>
<td>% Replaced</td>
<td>16.7</td>
<td>14.3</td>
<td>5.9</td>
<td>6.8</td>
<td>4.7</td>
<td>9.1</td>
<td>9.6</td>
</tr>
<tr>
<td>% Rotated</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>2.3</td>
<td>0.4</td>
</tr>
<tr>
<td>% Stable</td>
<td>71.4</td>
<td>83.3</td>
<td>93.8</td>
<td>92.7</td>
<td>95.1</td>
<td>90.0</td>
<td>87.7</td>
</tr>
</tbody>
</table>

Source: Author’s calculation

After the first Development Cabinet (1968-1973), Suharto changed his economic ministers only rarely. Therefore, the stability of tenure of economic ministers in Indonesia is not so surprising. Table 3.2 shows that on average 87.7 percent of his ministers stayed in their positions until their end of their term. The first reshuffle in economic posts was in the sixth Development Cabinet (1993-1998), when Satrio Budihardjo Joedono had to leave the cabinet because his Department of Trade was merged with the Department of Industry under Tunky Ariwibowo. The second reshuffle was when Soedradjat Djiwandono was replaced by Syahril Sabirin, just a few weeks before he ended his tenure as governor of the central bank in February 1998. The termination of Soedradjat is an interesting phenomenon because he had family ties with Suharto. His brother-in-law, Prabowo Subianto, was the husband of one of Suharto’s daughters. According to Soedradjat, the replacement might have been due to his decision in October 1997 to shut down sixteen banks as one response to the 1997 economic crisis. That decision may have hurt the interests of the Suharto family.

In Nigeria, ministerial tenure was very unstable (see Table 3.3). The percentage of ministers that was not replaced when there was a new
regime averaged only 43.5 percent. Stability of tenure is even lower (24.6 percent) if the periods of Shonekan (1993) and Abubakar Abdul Salami (1998) – who headed the government for only a brief time – are taken out.

With the exception of the Shonekan and Abubakar periods, it was during Buhari’s regime that Nigeria had the most stable government, with 77.8 percent of the ministers remaining in their posts. During Babangida’s period, only 4.2 percent of the appointed ministers remained in their posts to the end of the regime. According to Akinyoade (2008), of the initial 24 ministers appointed by Babangida, only Professor Kuti remained in his position (at the Ministry of Health, where he stayed for seven years).

Table 3.3 Ministerial appointments and stability of tenure in Nigeria, 1970-1998

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<tbody>
<tr>
<td>Positions</td>
<td>16</td>
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<td>24</td>
<td>18</td>
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<tr>
<td>Total appointed</td>
<td>24</td>
<td>39</td>
<td>35</td>
<td>18</td>
<td>60</td>
</tr>
<tr>
<td>% Military</td>
<td>12.5</td>
<td>30.8</td>
<td>0.0</td>
<td>38.9</td>
<td>43.3</td>
</tr>
<tr>
<td>% Replaced</td>
<td>41.7</td>
<td>33.3</td>
<td>22.9</td>
<td>0.0</td>
<td>60.0</td>
</tr>
<tr>
<td>% Rotated</td>
<td>16.7</td>
<td>23.1</td>
<td>37.1</td>
<td>22.2</td>
<td>23.3</td>
</tr>
<tr>
<td>% Stable</td>
<td>12.5</td>
<td>23.1</td>
<td>20.8</td>
<td>77.8</td>
<td>4.2</td>
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<td>Positions</td>
<td>29</td>
<td>32</td>
<td>24</td>
<td>24</td>
</tr>
<tr>
<td>Total appointed</td>
<td>29</td>
<td>67</td>
<td>24</td>
<td>37</td>
</tr>
<tr>
<td>% Military</td>
<td>6.9</td>
<td>17.9</td>
<td>25.0</td>
<td>21.9</td>
</tr>
<tr>
<td>% Replaced</td>
<td>0.0</td>
<td>52.2</td>
<td>0.0</td>
<td>26.3</td>
</tr>
<tr>
<td>% Rotated</td>
<td>0.0</td>
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<tr>
<td>% Stable</td>
<td>100.0</td>
<td>9.4</td>
<td>100.0</td>
<td>43.5</td>
</tr>
</tbody>
</table>

* Source: Adapted from Akinyoade (2008)
* IBB = Ibrahim Badamasi Babangida
* OBJ = Olusegun Obasanjo
Educational Background
In Indonesia, most of the economic ministers had studied economics in their formal education. Only a few persons without an economics background, such as Jusuf, Soehoed and Hartarto, were put in charge of the Department of Industry. In addition to their shared training at FEUI, many of the economic ministers had studied at the University of California, Berkeley. Widjojo, Ali Wardhana, Emil Salim and Saleh Afiff had earned their doctorates from that university and Sumarlin had earned his master’s degree there. Suhadi Mangkusuwondo, director general for foreign trade at the Department of Trade (1975-1983), had also got his doctorate at Berkeley. Therefore, the FEUI group was also known as the ‘Berkeley Mafia’, a name coined by Ransom (1970), referring to the place where the economists had studied economics on Ford Foundation scholarships.

The term Berkeley Mafia actually referred not only to those trained at Berkeley. Subroto, for instance, did not study at Berkeley but at McGill University, Montreal, Canada, for his master’s degree and the University of Indonesia for his doctorate. Besides the US-affiliated economists, a few of the economists had been trained in Europe, such as Sumitro, Radius Prawiro and Arifin Siregar. With the exception of Radius Prawiro, the economists trained in Europe embedded more socialism in their world view than the economists trained in the United States, who tended to be more pragmatic. The location where they studied thus seems to have influenced their way of thinking.

As economists, Widjojo’s group also dominated the Indonesian Economics Scholars Association (Ikatan Sarjana Ekonomi Indonesia, ISEI). Widjojo Nitisastro, Ali Wardhana, Radius Prawiro, Saleh Afiff and Sumarlin, for instance, each served as chairman of the association. Therefore, ISEI was very closely associated with the New Order’s technocrats.

In Nigeria, economic ministerial positions were often occupied by persons who had studied administration, military, education or law. The era for economists in Nigeria was the 1980s, particularly during the introduction of the structural adjustment program. Why did so few economists hold ministerial positions in Nigeria? First, it may be because economists themselves were not interested in joining the cabinet. Such a
possibility can be gleaned from the biography of Ojetunji Aboyade, who preferred to provide alternative policies (that is, to be an advisor) rather than to make policies (that is, to be a minister). Second, it may be that the power structure of the country required more power sharing among regions in the cabinet, so that the selection of ministers was based more on considerations of balancing the regional origins of the ministers rather than on ability. Third, the widespread view of Nigeria’s economists as ‘World Bank and IMF creatures’, with these two institutions encountering strong resistance in Nigeria, made it difficult for them to sit comfortably in ministerial positions.

Differences in educational background of the economic policy elites in the two countries also contributed to elite fragmentation. In Indonesia, there were economist-technocrats and there were technicians, and the two groups were always in constant battle to be the ones to direct the Indonesian economy. The technocrats were a group of Western-trained economists from the University of Indonesia who were proponents of conservative market-oriented policies (Kuncoro & Resosudarmo, 2006:343), but, as noted by Basri and Hill (2004:644), were not committed to laissez-faire economics. In contrast, the technicians were mostly ‘engineers-turned-managers with little training in economics, and economists with structuralist inclinations’ (Kuncoro & Resosudarmo, 2006:343). Those with an economics background tended to have more concern for macroeconomic stability. On the other hand, those with an engineering background paid more attention to the microeconomic situation and the development of industry. Such fragmentation can be seen clearly in the rivalry between the economists’ team led by Widjojo and the engineers’ group led by Habibie. Their rivalry, which in the 1990s was known as Widjojonomics vs Habibienomics, stemmed from a difference in views on development between the two groups (Juoro, 1994). The first group, the economists, preferred to develop the Indonesian economy through macroeconomic stabilization, the market mechanism, and sequential development of industry based on comparative advantage and on promotion of sectors that absorbed a lot of labour. The technicians, on the other hand, emphasized industrial and
technological acceleration, without following a sequence from light industries to more advanced industries.

The rivalry between the economists and Habibie’s group grew during the second half of Suharto’s period. It was only after the 1980s that Habibie’s influence in Suharto’s cabinet increased. Habibie, Suharto’s ‘golden child’, was then able to implement his high-tech projects, such as Nusantara Aircraft Industry (Industry Pesawat Terbang Nusantara, IPTN) and a shipping industry (PT PAL), which were financed by the government on Suharto’s direction. Habibie’s group was getting stronger, and from the 1990s the influence of Widjojo’s group was declining.

Conflicts between engineers and economists, actually, had occurred before Habibie came onto the stage. Before the emergence of Habibie’s group, there had been another group that did constant battle with the economists. Such conflicting views as those between the economists and the engineers, in fact, had been institutionalized into conflict between departments. This can be seen in the rivalry between the Department of Industry on the one hand, and other government bodies with an economic portfolio, such as Bank Indonesia (BI), Department of Finance, and the National Development Planning Board (Bappenas).

The Department of Industry was never led by a member of Widjojo’s group. In the first and second Development Cabinets (1968-1978), the department was led by General Mohammad Jusuf, a military officer. During his tenure, however, the department had a lot of input from Widjojo’s group. In spite of his military affiliation, Jusuf had a good relationship and trust with the economist-technocrats. In addition, he relied very much on his general secretary, Barli Halim, who had been a friend of Widjojo’s group during their studies in Berkeley.

The economists lost their grip on the Department of Industry after Abdoel Raoef Soehoed led the department from 1978 to 1983. Soehoed was a military officer before retiring early in 1955 and turning to private business. He had become an advisor to the minister of industry in 1966. Soehoed was known for his closeness to Ali Murtopo and Soedjono Hoemardani, the founders of the Centre for Strategic and International Studies (CSIS), a think-tank that was known as a rival of the FEUI technocrats. Moreover, Soehoed himself often had opinions that differed
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from those of the economists. He was viewed as a minister who ‘rocked the boat’ and made difficulties in the cabinet because of his non-compromising attitudes toward the economists (Soehoed, 2001:319, 321). Unlike the technocrats, the CSIS group wanted to adopt the industrialization model used by Japan and South Korea, which requires a high level of government intervention. Soehoed was not only trained as a military officer, but also as an engineer. His successor, Hartarto Sastrosoenarto, was not part of the economists’ team either. Trained as an engineer, Hartarto stepped into the ministerial position from the ladder of the bureaucracy. He had been a director general in the Department of Industry under Soehoed before becoming minister. Similar to his predecessor, Hartarto did not get along very well with the economists who, in his view, relied too much on macroeconomic policies.

It is interesting to note that the Department of Industry had never been led by a member of Widjojo’s team, particularly after General Jusuf left. It can be argued that this was because the economists’ team did not have any person capable of that position. However, a more convincing argument is that Suharto was trying to share power among his followers. Allocating certain posts to certain groups was a way for Suharto to do this. The economist-technocrats were given control over the Ministry of Finance, the National Development Planning Board (Bappenas), and the Central Bank (BI); the technicians (or engineers) were given control over the Ministry of Industry and the Investment Coordinating Board (Badan Koordinasi Penanaman Modal, or BKPM); while patrimonialists or rent-seekers (an opportunistic group that ‘consisted of military personnel, elite bureaucrats and the ruling Golkar party members’ whose activities were driven by private gain) were given control over ‘the State Secretariat and the administrative area of the presidential office responsible for liaison with the central bureaucracy’ (Basri & Hill, 2004:644; Kuncoro & Resosudarmo, 2006).

There was often disagreement between the Department of Industry and economist-technocrats with other portfolios, for instance in regard to protectionist measures in the 1970s and 1980s. The technocrats tended to be pragmatic; they did not want the protectionist measures to benefit certain groups only. They wanted to make decisions based on an
assessment of the possible consequences of implementation. These economists foresaw possible failure if the state intervened too heavily in the economy. The Department of Industry, on the other hand, being in favour of protectionism, argued that there was market failure and therefore that state intervention in the economy was absolutely necessary. Free competition, in their view, led to the economy being dominated by the strongest companies and conglomerates, or being dominated by foreigners. They argued that *priyumi* (indigenous people) would suffer without government protection.

Another example of how the economists disagreed with the staff at the Department of Industry on economic policy is the devaluation of 1978. At the time, objection to the decision was most prominently expressed by the Department of Industry (Interview 29/11/2008). They feared that devaluation would increase the costs of production, since a large proportions of industrial raw materials was still imported. In contrast, the economists saw the devaluation as a measure to improve industry’s competitiveness.

In Nigeria, there was a similar pattern of fragmentation. Here, however, the rivalry was not between economists and engineers; the rivalry was between economists and non-economists. There was simply a different way of thinking between economists and all non-economists. The structural adjustment program brought their disagreement into public view. US-trained economists such as Kalu Idika Kalu and Chu Okongwu supported the structural adjustment program. Soleye, however, former commissioner of finance during Buhari’s regime who had been trained as a sociologist, was not pleased with the program since, according to him, it had proven to be unsuccessful in other African countries (Interview 29/11/2008).

Among people sharing the same educational background, disagreement and differing viewpoints also exist. In Indonesia, this can be seen within Widjojo’s team of economists. There was a difference in view between economists trained in the United States and those trained in Europe or Indonesia. Arifin Siregar and Rahmat Saleh, for instance, were particularly concerned about the limited role of *priyumi* (indigenous people) in the economy. They advocated special treatment for the *priyumi*, such as making credit more easily available to them. Their
concern was not shared by the US-trained economists. Arifin Siregar had been trained in the Netherlands, while Rahmat Saleh was trained at the University of Indonesia. The influence of European socialism on the work of Nigerian policy-makers can be seen in Obafemi Awolowo, Philip Asiodu, and Soleye. Those trained in European countries (such as in the Netherlands or the United Kingdom) seem to have been more influenced by a political economy way of thinking, while those trained in the United States tended to prioritize the economic rationale.

In Indonesia, fragmentation in Suharto’s cabinet was there, but it was manageable. ‘It was often that we had conflict, but we had the advantage that we were still good friends. There was no conflict that went too deep because Suharto was always involved,’ Soehoed says about his relationship with the monetarist technocrats led by Widjojo. Further, he says that Suharto was like a father in the cabinet; if the children were fighting, the father acted to resolve the conflict (Interview 12/09/2008).

Widjojo’s leadership and a feeling of being part of a team had helped to maintain the cohesiveness of the economists in the cabinet. As Subroto notes, before a policy was presented to Suharto, it first had to be discussed in the economists’ team. Any conflict or disagreement had to be solved first in the team (Interview 21/08/2008). This does not mean that everyone in the group agreed on the policy, but they kept silent once the group had agreed on a policy. Sometimes they even excluded members of the team who might potentially disagree with a policy that was being proposed. This kind of ‘low politics’ was conducted for instance during the 1988 deregulation, in which those not likely to agree to the deregulation were not involved in the decision-making.

The cohesiveness within the economists’ team may be partly because Indonesian policy-makers shared many more similarities than the Nigerian ones did. Most of the economists had graduated from the University of Indonesia, and were Javanese. The effectiveness of Widjojo’s leadership within the group can also be attributed to this situation. Among the economists, Widjojo was considered the ‘brightest’. Among his colleagues at the University of Indonesia he was the most senior, after Sumitro, his teacher.
Such leadership within the economists’ team was absent in Nigeria. Every former minister that I met seemed eager to show how important his own role had been in managing government affairs. They all stressed that they could easily interact with the head of state, and that the head of state had given them authority to decide policies. Even during Babangida’s period, which had three prominent technocrats (Olu Falae, Kalu Idika Kalu and Chu Okongwu) simultaneously, it is still hard to see any cohesiveness among them. Even though they all agreed on the adoption of the structural adjustment program, they disagreed publicly on how to implement it.

Age and Generation
With regard to age, the economic ministers in Indonesia and Nigeria were of roughly the same age, most of them born in the 1920s or 1930s, but there were also persons born before and after that. In Indonesia, at least three generations of technocrats occupied ministerial positions during the New Order. From the first generation is Sumitro Djojohadikusumo, who had served as a minister in the Sukarno period. Together with Muhammad Hatta, Sumitro belonged to the first generation of Indonesian economists. After independence he occupied five ministerial positions. The Indonesian economics guru, born in 1917, was also the founder of FEUI in Jakarta. The holder of a doctoral degree from the Nederlandse Economische Hogeschool (Netherlands School of Economics) in Rotterdam, he was the teacher of the FEUI economists.

The second generation is represented by Sumitro’s students, such as Widjojo, Ali Wardhana, Emil Salim, and Subroto. Also included in this generation are Radius Prawiro and Soehoed. This generation, born between 1920 and 1933, was the main engine of Indonesia’s New Order from 1966 to 1993. Included in the third generation are Ginandjar Kartasmita, Mar’ie Muhammad, Soedradjat Djiwandono and Fuad Bawazier. This youngest generation, born between 1935 and 1950, acquired their main role in economic policy-making after 1993. Suharto’s economic ministers after 1993 no longer came from the FEUI group. They came from a wider range of backgrounds. Their influence on Suharto and on economic policies, however, was not as strong as that of the second-generation technocrats.
In Nigeria, there are also three generations that occupied ministerial posts during the period of analysis. Obafemi Awolowo, minister of finance under Gowon, represents the first generation. Shehu Shagari represents the second generation of ministers. The third generation includes persons such as Okonwu, Kalu Idika Kalu, and Anthony Ani.

Generational differences in these two countries seem to have influenced their policies and world view. It seems that the older generation, particularly the first generation, had a stronger sense of nationalism, and a structural world view; underdevelopment was thought of more as a structural problem and due to colonialism. The second generation in both countries seem to have been more pragmatic in their policies. It may be because of their different experience; the first generation were more involved with the emotions of colonialism. Another explanation may spring from the differences in economic thought that were popular at the time.

**Recruitment and Career Path**

Most of the Indonesian economic ministers came from an academic or university background, most of them from FEUI. These economists dominated Bappenas and the Department of Finance. Indeed, there were also members of Widjojo’s group that came from the bureaucracy, such as Rahmat Saleh, governor of Bank Indonesia (1973-1983). Rahmat was not a lecturer at FEUI, but he had studied at that institution. He had also been Widjojo’s classmate during high school in Malang. Unlike other members of the group, Rahmat Saleh had joined Bank Indonesia after graduating from FEUI in 1955. His predecessor and successor at the central bank, Radius Prawiro (governor of Bank Indonesia 1966-1973) and Arifin Siregar (governor of Bank Indonesia 1983-1988), were also technocrat-bureaucrats. Interestingly, they all followed a similar career path in Suharto’s period. From governor of the central bank, they were rotated into the post of minister of trade. In addition, it was very rare to find an economic minister from the military or from private business; the only exceptions were Mohammad Jusuf from the military and Bob Hasan from private business.
In Nigeria, in contrast, it was rare for a minister to be recruited from academia. It was more common to find military officers, such as James Johnson Oluleye, Alani Akinrinade, Nura Imam, Muhammodu Yahaya and Bagudu Mamman, in the cabinet. There were persons who had graduated from university, but usually they had previous experience working in bureaucratic or government affairs. Soleye, for instance, was commissioner of industry in the Western Region before being appointed federal minister of finance during the Buhari regime. Similarly, Chu Okongwu served in Enugu State before being appointed federal minister of finance during the Babangida regime.

In addition, technocrat-bureaucrats like Allison Ayida, Asiodu and Olu Falae were central in Nigerian economic policy-making. They started their careers in government by working in the bureaucracy. Asiodu joined the Ministry of External Affairs in 1957 after finishing his study of philosophy, politics and economics at Queen’s College, Oxford, UK, in 1956. He was posted to many places, such as Australia and New Zealand, France, and New York. He was at the Ministry of External Affairs until 1964. He was then transferred to the Federal Ministry of Health in 1965-1966 as acting permanent secretary, during which period he also served briefly in the Federal Ministry of Commerce and Industry (Interview 08/06/2009). He became fully involved in economic policy only after the military coup in 1966. He was then permanent secretary of the Federal Ministry of Industry (1966-1971), Mines and Power (1971-1975) and Petroleum (1975) (Osso, 1990:178).

Ayida’s career path was similar to that of Asiodu. Ayida and Asiodu read the same subjects at Oxford and finished in the same year. In 1956-1957 Ayida went to the London School of Economics to study for a master’s degree in money and banking, but for family reasons he returned home before completing the program (Kayode & Otobo, 2004:27). He then joined the government as a civil servant in 1957. He was posted briefly as assistant secretary to the Federal Ministry of Education, and then transferred to the Ministry of Finance as senior assistant secretary. He spent five years at the Ministry of Finance, before being promoted to permanent secretary at the Ministry of Economic Development in 1963 (Kayode & Otobo, 2004:33). From 1972 he served at the Ministry of Finance as permanent secretary. From 1975 to 1977 he was secretary of
the Federal Military Government and head of the Federal Civil Service (Osso, 1990:191). Both Asiodu and Ayida, known during the Gowon period (1966-1975) as super-permanent secretaries, were technocrats that were raised in the bureaucracy.

Olu Falae, known as ‘Mr SAP’ following the introduction of the structural adjustment program (SAP) during the Babangida administration in the mid-1980s, had a similar career path. Falae joined the bureaucracy in 1963, the same year he graduated from the University of Ibadan. First he was at the National Manpower Board for about six years, with the position of assistant secretary (1963-1967) and then principal assistant secretary (1967-1969). From 1969 to 1971 he was director of the National Insurance Corporation of Nigeria (NICON) (Osso, 1990:321). He then pursued his master’s degree at Yale University, USA (1971-1972). In 1972 he became chief planning officer at the Central Planning Office of the Federation. In 1974 he was promoted to assistant director and in 1975-1977 was director of the Central Planning Office. He was in several top-level bodies of the bureaucracy, a member of the Federal Government Economic and Finance Committee (1977-1979) and permanent secretary of the Economic Department of the Cabinet Office (1977-1981), before switching to the private sector in 1981 (Osso, 1990:321). In 1986 he came back to serve the Nigerian government as secretary of the Federal Military Government, and he was minister of finance from 1987 to 1990. Thus, similar to Asiodu and Ayida, Falae was a technocrat raised in the bureaucracy, not in the academic world.

University-based technocrats did indeed take part in Nigeria’s economic policy-making, but in a different arena. They mainly became advisors or experts on an economic affairs team. Adebayo (1990), for instance, notes the legacy of the ‘Ibadan School’ on federal finance allocation. Many economists based in the University of Ibadan, such as R. O. Teriba and Adedotun Phillips, were very influential in Nigerian economic policy-making as advisors.

**Region and Ethnicity**

In terms of region and ethnicity, Nigeria’s economic ministers came from a wider diversity of regions and ethnic groups than did those of Indonesia.
In Indonesia, Javanese formed the dominant ethnic group in Suharto’s economists’ team, although Emil Salim and Soehoed were from West Sumatra, Arifin Siregar from North Sumatra, Frans Seda from Nusa Tenggara, and Mohammad Jusuf from Makassar. The Javanese domination was not only because Javanese make up the biggest proportion of Indonesia’s population. It was also because of Suharto’s sociological roots as a Javanese. The Javanese culture somehow became an invisible wall, making it difficult for non-Javanese to attain cabinet positions.

Even though difference in ethnicity never became a source of fragmentation in the Indonesian cabinet, a minister’s understanding of Javanese culture partly determined how his relationship with Suharto would be. Ability to notice and interpret sasmita\(^{10}\) was required to be able to communicate with Suharto. It was difficult for non-Javanese such as Emil Salim and Soehoed to really understand what Suharto wanted. On one occasion, Emil Salim criticized a government program too bluntly, without noticing that although Suharto smiled he was actually angered by the criticism (Interview 01/12/2008). Similarly, Soehoed was told by Soedjono Hoemardani, a Javanese spiritual friend of Suharto, that as a Sumatran, he needed to learn how Javanese think, so that he could understand Suharto (Soehoed, 2001:233). It was also from Soedjono that Soehoed learned about Javanese philosophy and worldview (Soehoed, 2001:232). Moreover, not every Javanese minister could master the appropriate cultural communication with Suharto. Widjojo and Radius Prawiro were ones who could do it very well (Interview 23/09/2008).

In Nigeria, the recruitment system, which was required to reflect the federal character of the state, led to a proportional balance of ministerial posts based on region and ethnicity. The 1979 Constitution had institutionalized the principle of maintaining the federal character of the government: ‘the allocation of high-level government appointments and civil service jobs is to be based on quotas to reflect the myriad ethnic

\(^{10}\) Sasmita literally means signs. Suharto often used indirect ways of communication, giving signs of what he wanted, such as through body language and use of symbolic expressions.
groups of the federation’ (Bangura, 1994:266). Section 14 (3) of the 1979 Constitution says: ‘Composition of the Government of the Federation, as any of its agencies, shall be carried out in such a manner as to reflect the federal character of Nigeria, and the need to promote national unity and also to command national loyalty, thereby ensuring that there shall be no predominance of persons from a few states or from a few ethnic or other sectional groups in that government or in any of its agencies.’ Furthermore, in the appointment of ministers, Section 135 (3) requires that the president shall reflect the federal character, ‘Provided that, in giving effect to the provision aforesaid, the President shall appoint at least one Minister from each state, who shall be indigene of such a state’.

However, there was still criticism of the distribution of power in Nigeria. Basically, Nigeria was divided into Northern and Southern regions, with the latter divided into western and eastern parts. The common criticism of the power structure was that Northerners dominated it, mainly Hausa and Fulani. It is not only that most of the heads of state came from the North, but also that most ministerial posts in the cabinet were occupied by Northerners.

This criticism also applied to the economic ministerial posts, particularly the governors of the Central Bank, which was dominated by Northerners. However, for the post of minister of finance, Southerners dominated. During the 32-year period under analysis, only four ministers of finance were Northerners, and they served in total less than eight years. Meanwhile, there were 12 Southerners who occupied the position, serving in total more than 20 years. One can speculate on the reasons for the domination of Southerners in the Ministry of Finance. First, it is due to their educational background. Southerners had more economist-technocrats than Northerners. As Bangura (1994:265) notes, ‘a high proportion of academics are concentrated in the South’. Such inequality in education persists today. Mustapha (2006:12) notes that about 80 percent of admissions to Nigerian universities in 2000-2001 came from the Southern Region, and less than 20 percent from the Northern Region. Second, Southern domination of the Ministry of Finance may be related to economic and social inequalities in the country. Between 1986 and 1990, for instance, 57 percent of businesses were registered in Lagos,
only 14 percent in the north, and the remaining ones were registered in other southern areas (Mustapha, 2006:13).

Domination by Southerners, particularly from the east, in the Ministry of Finance may also be related to the traditional perception of distribution of expertise among Nigeria’s ethnic groups, which was used to justify Northern domination of political leadership. Hausa-Fulani are known for their power management and they therefore assume political leadership; Yoruba are known for diplomacy, so they are responsible for administering the bureaucracy; and Igbo are known for commerce, and are therefore responsible for commercial activities (Mustapha, 2006:16).

The regional background of policy-makers also influenced their decision-making, and this in turn created tensions or even conflicts among them. In Indonesia, there was not so much conflict among economic ministers based on regional or ethnic origins, because most of them were Javanese. One or two misunderstandings occurred, but they were just because of different styles of communication. Sometimes the non-Javanese could not understand the indirect style of Javanese communication. For ministers who were not from Java, there may have been a feeling of being an outsider, but this did not seem to really damage their relations with the ministers from Java. Moreover, the difference did not affect policy outcomes.

In Nigeria, on the other hand, fragmentation based on difference in regional origin became something unavoidable. The fragmentation was not manifested in terms of different policies, but in the choice of location where a certain project would be located. Allison Ayida gives an example of how the choice of location was highly politicized along regional lines:

In fairness to the planners, the [iron and steel] project was not sufficiently articulated for the location question to be resolved before the Plan was finalized. When the National Economic Council eventually came to grips with detailed planning and decisions on the project, the politicians were naturally divided on regional lines. Some of the administrators ceased to be faceless technocrats, and their regions of origin either influenced their views or seemed to determine their expertise. Even the non-Nigerian advisors
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were regarded as committed to one group or the other. (Ayida, 1987:26)

Religion

In Indonesia, about 90 percent of the population is Muslim. Therefore, it is not surprising that most of the economic ministers were Muslim. However, these ministers came from a nominally Muslim background (abangan), not from urban orthodox Muslim families (santri). One member of the Berkeley Mafia, for instance, said that his father was a mubaligh and his mother was a member of Aisyiyah, but he himself could not read the Qur’an. His parents never asked him to go to learn Qur’an and Islamic teachings (Ngami) in a surau, but to learn a spiritual way, because to make his spirit Muslim was more important. The absence of orthodox Muslims (santri) in the government reflected the political situation in Indonesia. At the beginning of the New Order, Muslim groups were excluded from Suharto’s administration. Dawam Rahardjo, a well-known Indonesian intellectual, says that Suharto was smart to include people from PSI (Indonesian Socialist Party) and ABRI (military) that were anti-communist. However, according to Dawam, Suharto excluded people from the Masyumi Party (Partai Majelis Syuro Muslimin Indonesia, Council of Indonesian Muslim Associations) as representatives of Muslim groups, because of the involvement of Masyumi members in PRRI (Pemerintah Revolusioner Republik Indonesia), a rebellion movement against Sukarno, and because of fear of a radical Islamic state movement (Interview 03/03/2009).

There were only a few Christian economic ministers, such as Frans Seda, Radius Prawiro, Adrianus Mooy and Johanes Baptista Sumarlin. The involvement of Frans Seda, chairman of the Indonesia

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11 Santri, abangan and priyayi are terms used by Clifford Geertz to label three main cultural streams in Indonesian society.
12 Islamic teacher/propagandist.
13 Aisyiyah is the women’s wing of Muhammadiyah, the oldest and largest Islamic organization in Indonesia.
14 A surau is a small mosque for praying and studying the Qur’an and other Islamic teachings.
Catholic Party, in the cabinet was a move to bring along the Catholic group in the anti-communist coalition. Unlike their Muslim counterparts, the Protestant and Catholic cabinet ministers seemed to be very active in church activities. Since the nominally Muslim abangan have a tolerant attitude toward activities of Protestants and Catholics, there was not much tension between Muslims and Christians in the cabinet, particularly in the 1970s and 1980s. Religion in politics only became a big issue in the Indonesian cabinet starting in the late 1980s, when Radius, Mooy, and Sumarlin (known as RMS$^{15}$) occupied all of the important economic ministerial posts. From 1988 to 1993, Radius was coordinating minister of economics, Adrianus Mooy was governor of the central bank (BI), and Sumarlin was minister of finance. Coincidentally, that period was also the period of Islamic revivalism in Indonesia, marked by the establishment of the Indonesian Muslim Scholar Association (Ikatan Cendekiawan Muslim Indonesia, ICMI) in 1990, which was led by Habibie. Therefore, Muslim–Christian relations in the cabinet were more tense in the early 1990s.

Nigeria is a ‘religious’ nation, with Muslims and Christians almost the same numerically. Religious fervour can be seen from the large number of churches, and how many streets are blocked by Muslims during Friday prayers. The intense rivalry between Muslims and Christians in the country is indeed intensified by regional and ethnic rivalry. Muslims are associated with the Hausa and Fulani from the north, while Christians are associated with the Yoruba from the west and the Igbo from the east. Thus, the distribution of power in the cabinet based on region and ethnicity also to some extent reflected the distribution of power among the country’s religious groups.

Social Origins
In terms of family background, Indonesia’s economic ministers came from families with a diversity of occupations, such as farmer, businessman, teacher and bureaucrat. Most of them came from, or at least

$^{15}$ RMS, an abbreviation of Republik Maluku Selatan, a rebel movement in Sulawesi in 1950, is a negative stigmatization used by their political enemies to refer to the three cabinet ministers.
had a close relationship with, a middle-class family, often employed in the civil service. Johanes Baptista Sumarlin (minister of finance 1988-1993), for instance, came from a peasant family, but from the age of nine he was raised by his uncle, a younger brother of his mother, who had a good civil service job (city controller) during the Dutch colonial period (Interview 23/09/2008).

Just as in Indonesia, Nigeria’s economic ministers came from diverse family backgrounds and mostly from middle-class families. While Bangura (1994:265) states that major elite groups (bureaucrats, businessmen and politicians) came from peasant and petty trader families, I found that most of Nigeria’s economic ministers were children of traditional rulers or bureaucrats during the colonial period. This can be seen, for instance, in the life of Samuel Oluyemishi Falae, also known as Olu Falae, a well-known technocrat particularly during the Babangida period, when he served as secretary of the Federal Military Government (1986) and minister of finance (1987-1990).

Olu Falae was born on 21 September 1938 in Akure, the capital and largest city of Ondo State, in southwestern Nigeria. Akure is a trade centre for agricultural products, such as yams, cassava and corn, and the most important producer of cocoa in Nigeria. Falae spent his childhood in the Yoruba town until he graduated from St. David’s Primary School Akure in 1952. From 1952 to 1957 he studied at Igboibi College in Yaba, Lagos. He then went to Government College in Ibadan (1958-1959), before attending University College (now University of Ibadan) in Ibadan for his economics training in 1960-1963. In 1971-1972 he earned his master’s degree from Yale University, New Haven, Connecticut, USA. Not only did he grow up in a relatively big town, he also came from a traditional ruling and bureaucratic family. His father was a headman in the Survey Department of the colonial government in the old Western Region (nigeriatoday.com, 2011).

The similarity in family background of the economic ministers in these two countries makes it difficult to justify the proposition that differences in their economic policies were influenced by their family background. Take for instance the neglect of agriculture in the Nigerian development strategy, and the emphasis on agriculture by the Indonesian
government (discussed in Chapter 4). Since there were very few economic ministers from an agricultural family background in either country, there does not seem to be evidence that this difference stems from a difference in family background. A similar case is exchange-rate policy (discussed in Chapter 5). Many argue that maintaining a strong domestic currency benefits the upper and the middle classes. This may explain why Nigeria maintained the value of the naira rather than devaluing it. However, this argument does not hold for Indonesia’s devaluation of the rupiah in 1978 and 1983, because Indonesian economic ministers also came from the middle class.

Conclusion
This chapter has examined characteristics of the economic policy elites in Indonesia and Nigeria. First, I discussed dynamics of the relationship between the military and the technocracy in the two countries. In Indonesia, economist-technocrats acquired a relatively stable power in managing the economy. Frequently changing regimes in Nigeria negatively influenced the rise and fall of technocracy in the country. However, during the Gowon period (1966-1975) technocrat-bureaucrats experienced a stable position in managing the economy. Also, similar to policy-makers in Indonesia, Nigeria’s policy-makers enjoyed insulation from political pressure, so that they had enough room for manoeuvre to implement their policy agenda. Second, economic policy elites in the two countries shared similarities in social origins; I conclude that differences in economic policy in the two countries cannot be explained by differences in social origins. Third, Nigeria’s policy-makers came from more diverse ethnic and regional backgrounds, compared to Indonesia, but this does not explain the policy differences. Educational background also shows a contrast between the policy elites in the two countries. More discussion on policy-makers’ personal background and its effects on their policy choices is presented in Chapters 4, 5 and 6.