

# *Defense Economic Review Of War Treaties During Indonesia's Regional Wars*

Johar Asmara All Arief<sup>1</sup>, Josua Hutagalung<sup>2</sup>, Guntur Eko Saputro<sup>3</sup>, Haetami<sup>4</sup>, Sakum<sup>5</sup>

<sup>1,2,3,4,5</sup> Defense Economics Studies, Defense Management Faculty, RI Defence University.

IPSC Sentul, Sukahati, Kec. Citeureup, Kabupaten Bogor, Jawa Barat 16810

joharasmara641@gmail.com, yosuah2108@gmail.com, guntur.saputro@idu.ac.id, haetamipitra@gmail.com, sakum@pelitabangsa.ac.id



**Abstract**—The Dutch began a spice expedition all the way to Indonesia to trade and was well received by the Indonesian people until finally establishing the Verenigde Oost Indische Compagnie (VOC) in 1602. The VOC expanded its power in various parts of Indonesia with the aim of controlling all colonies by entering the government of each region. The adverse policies of the VOC were met with resistance from various regions so war broke out. The regional war against the Dutch could be stopped by treaties agreed upon by divisiveness. This paper aims to explain the economic aspects of the post-war treaty in the regional war. The method used is qualitative with a literature study and documentation approach by collecting information related to the topic being studied. The result of this reconciliation was that the resistance ended in a post-war agreement for both the defeat of the region and the defeat of the invaders. But in the end, the forced cultivation system and commodity monopoly in the regions continued to occur, causing harm to the community. In addition, the introduction of the money system, the development of agriculture, irrigation canals, and the opening of foreign investor roads were the positive impacts of the Dutch government in Indonesia. However, the Indonesian nation experienced great turmoil, namely a slumped education system, monopolies, and people's misery due to forced cultivation and other policies.

**Keywords**—Defense Economics; The War of Injustice; War History; War Treaty; War Economics.

## I. INTRODUCTION

In 1595, the Dutch began exploring the ocean in search of spices [1] because the Portuguese forbade the Dutch to take spices in Lisbon. Until finally, the Dutch leaned and arrived in Banten with a good welcome from the government and the community even though they were expelled from Banten and continued the expedition to Bali, but the Dutch made a second expedition by leaning back in Banten led by Jacob van Neck in 1598 and was well received by the government and people in Banten. Until finally, the Dutch founded the Vereenigde Oost Indische Compagnie (VOC) in 1602 to reap maximum profits from trade with privileges including trade monopoly rights, printing money, building forts, having troops, and making agreements with regional leaders.

In an effort to expand its influence in Indonesia, the VOC began to interfere in various policies and conflicts in the region by conducting politics of fighting (*devide et impera*). These actions had a negative impact on society because of oppression and bad attitudes so that the Indonesian people began to resist. At that time, resistance movements against the colonizers were still regional in nature spread throughout the archipelago. An agreement made after the war is an agreement between 2 disputing parties, usually a sign of the end of the war with consequences that must be borne by the losing party. In the history of the Indonesian struggle, regional struggles ended with an agreement made by the Dutch to end the resistance. Indonesian fighters during the regional war ended their resistance to the Dutch by agreement for various reasons, so that it would affect people's lives after the war occurred. In this case, the economy of the people at that time was greatly affected by the war that occurred because

the problem point of resistance was carried out because of the misery of the community.

## II. LITERATURE REVIEW

Science is knowledge that discusses facts, both natural (nature) and social (non-nature) that are generally accepted, systematic, comprehensive, have methods, produce postulates, in the form of theory, critical, objective, related to practice and can be used to explain natural phenomena. National defense is carried out by building and building the country's capabilities, deterrence, and overcoming every threat. The main purpose of the study of defense science is how to maintain state sovereignty, and the safety of the nation and state in order to realize national security.

The requirements of defense science as a science include aspects of ontology, epistemology, and axiology. From the ontological aspect of the object of defense science, namely state behavior in maintaining and developing sustainability. Epistemologically, defense science is obtained by scientific research using quantitative, qualitative, and a combination of both. Finally, axiologically defense science is the basis for the development of a country's defense policy

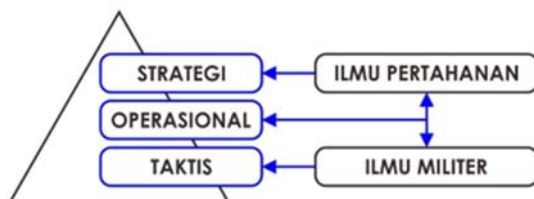


Figure 1. The Relationship Between Defense Science and Military Science

Defense science talks about strategy in its efforts to defend the country for national stability. Meanwhile, military science talks about tactics for efforts to defend the country for the sake of state sovereignty. Defense science is the academic and systematic study of countries related to government, society, territoriality, and relations between countries using scientific analysis both monodisciplinary, interdisciplinary, and crossdisciplinary. The implementation of state defense has the aim of maintaining the sovereignty of the nation and the territorial integrity of the state. In this case, Defense Science has a focus on the study of sovereignty in the form of a strategy which studies strategic policy making according to the doctrine of matraan and development.

Defense science is a reality that determines the sovereignty and safety of a nation and state. The position of defense science in the framework of the national system is full of theories and concepts that are theoretical and conceptual references from the reflection of the intersection of national interests within the framework of a country's international system.

Defense economics is a study of resource allocation, distribution, income, economic growth, and stabilization applied to defense-related topics[3]. Defense economics uses economics to study issues related to the implementation and planning of development in the field of defense. The relationship between the economy and defense is a reciprocal relationship where the country's defense activities provide a sense of security for the community and that sense of security is one of the supporting factors for the country's economic growth. On the contrary, a strong defense requires the support of a good economy and public welfare.

Actual issues discussed in defense economics studies include the arms race, arms sales and purchase policies, aspects of weapons resources and modernization, defense capabilities, defense budget planning, defense industry, defense plans, industrial policies and military needs, soldier welfare financing, and the impact of conventions or ratification of arms limitation agreements. The study of defense economics includes defense expenditures both domestic and international and variables related to macro and microeconomics. In macroeconomics the scope of study includes gross domestic income, labor, and economic growth, while in microeconomics includes analysis of the defense industry, collaborative programs, price formation, and profits from military contracts.

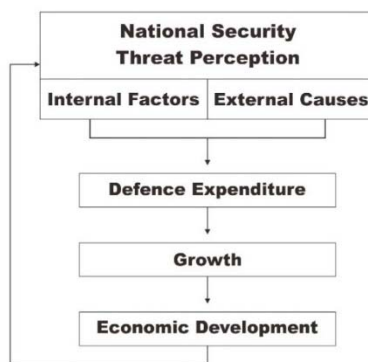


Figure 2. The Relationship Between Defense, Security, and Economy

In the picture above, it is explained about the relationship between aspects of security, defense, and economic development to lift the existence of a country or within the framework of a national system. Where perceptions in national security efforts have two influencing factors, namely external and internal factors. These factors have an impact on the country's military expenditure whose growth rate will also affect the country's economic development. If the economy in a country develops, it will affect the implementation of national defense and security.

**III. DATA AND METHODOLOGY**

The author uses qualitative methods with a bibliography and documentation study approach to collect information and historical or historical research methods with an imaginative reconstruction process from the past based on data obtained and written with historiographic techniques. Historiography is the process of compiling the results of analysis presented in the form of writing in an interesting and communicative language style related to the topic, namely the impact of agreements during regional wars in economic aspects.

**IV. RESULTS AND ANALYSIS**

From a legal perspective, the definition of corruption has been explicitly explained in 13 articles of Law No. 31 of 1999, which was amended by Law No. 20 of 2001 on the Eradication of Corruption. Based on these articles, corruption is formulated into 30 forms/types of corrupt criminal acts. These articles provide detailed explanations about the actions that can be subject to criminal sanctions for corruption (Ardisasmita, M. Syamsa, 2006). The thirty forms/types of corrupt criminal acts can essentially be categorized as follows:

**1. Economic Impact of Postwar Agreements**

The agreement in regional warfare in Indonesia is a historical record which became a historic agreement about the struggle for territorial rights. It is undeniable that the treaties signed after the war contained articles that had an impact on the economy of the people at that time. Some treaties after the war during the regional war in the archipelago are as follows:

- Bongaya Agreement

The conflict between the Dutch and the Sultanate of Gowa was caused by a monopoly by the VOC which at that time the Sultanate of Gowa was the center of the domestic and foreign economy. The Makassar War in Sulawesi on November 18, 1667 ended with the conclusion of the Bongaya treaty between the Sultanate of Gowa and the Dutch [4]. Although he had launched resistance again after the Bongaya agreement, Sultan Hasanuddin fell again because the Dutch troops were fully armed and eventually handed over the throne to his son, Mappasomba (Sultan Muhammad Ali). This defeat was the beginning of the decline of the Gowa sultanate after the abdication of Sultan Hasanuddin.

The Bongaya Agreement was a strong basis for the Dutch to control trade in Makassar. There are 29 articles of the Bongaya agreement signed by Sultan Hasanuddin on Friday, November 18, 1667, which are as follows: [5]

1. European officials and citizens residing in Makassar had to be sent to the Dutch

2. All tools, money, and goods looted from Walvisch's ships had to be handed back to the Netherlands
3. Punishment of those found guilty of murder of Dutch people by the Dutch Representative
4. War indemnities must be paid no later than the following season
5. Expulsion of Portuguese and English from Makassar and ban on trade
6. Only the Netherlands can trade in Makassar
7. Dutch trade should not be taxed
8. The Sultanate and the people of Makassar were not allowed to sail to other islands except Bali Island and had to obtain a sailing permit from the Dutch.
9. Destruction of all forts in Makassar except Sombaopu as the king's place
10. Handover of Ujung Padang Fort to the Dutch
11. Enforcement of VOC money in Makassar
12. The Makassar Sultanate had to send money worth 1000 slaves with a calculation of 2.5 taels or 40 mas of Makassar gold per person, half of which had to be sent the following season.
13. Makassar Sultanate is prohibited from interfering in Bima territory
14. Return of troops taken from Sultan Butung or replaced with compensation if it cannot be returned because it has died.
15. Handover of King Bima and Karaeng Bontomarannu
16. The Makassar Sultanate had to relinquish several territories such as the Selayar islands, the east coast of Sulawesi, and Manado.
17. The Makassar Sultanate had to surrender to the power and liberation of the Bugis and Luwu people
18. The abdication of King Layo, Bangkala, Turatea, and Baijing and their territories
19. The Dutch controlled the regions of Bulo-Bulo, Turatea, and Bungaya.
20. The Makassar Sultanate had to leave the Wajo, Bulo, Bulo and Mandar areas.
21. Rules on relations between the Bugis, Turateans, and Makassarese
22. Closure of Makassar area to foreigners except the Dutch
23. The Dutch were also in the alliance between the Kings in the Makassar region
24. The Dutch will mediate if there is a dispute between the King in the Makassar region
25. The delegation of 2 rulers of the Makassar Sultanate to send a peace treaty signed by the king and nobles of the Makassar sultanate to Batavia.
26. British goods and people who were in Makassar had to be brought to Batavia
27. The sons of King Bima and Karaeng Bontomarannu will be detained if they are not found alive or dead within 10 days
28. The Makassar Sultanate had to pay war indemnities of 25,000 rijkdaalders
29. The signing and affixing of the royal seal to this treaty.

Of the 29 articles of the Bongaya treaty, not a single article benefited the Sultanate of Makassar and ultimately had an impact on the economy of the people in the Makassar region. The prohibition of foreigners other than the Netherlands from entering the Makassar area in articles 5 and 6 is intended for monopolistic practices of

commodities such as rice, corn, coffee, and copra and having strategic maritime areas. People were forced to sell their produce to the VOC at prices set by the VOC. In addition, the Dutch act of monopolizing trade in Makassar was also supported by article 8 which prohibited shipping to other islands other than with Dutch permission, this was to prevent the smuggling of crops to parties other than the VOC. The agreement resulted in losses to Makassar and from the adverse impacts, Makassar carried out various turmoil.[6]

- **Giyanti Agreement**

The dispute between 3 prospective heirs to the Mataram kingdom, namely Prince Mangkubumi, Pakubuwana II, and Prince Samberjiwa which was the beginning of the war in Mataram due to Dutch interference by appointing Pakubuwana II as King. The rebellion of Prince Mangkubumi and Samberjiwa broke out, making it difficult for the Dutch. On February 13, 1755, the Mataram Sultanate ended the war with the Dutch with the Giyanti agreement. In this agreement, the Dutch Government took its role in the division of the Mataram Sultanate with the politics of fighting. The contents of the Giyanti agreement are: [7]

1. The appointment of the prince of Mangkubumi to be Sultan Hamengkubuwono with half the kingdom of Mataram and will be inherited from generation to generation.
2. Cooperation between the VOC and the people of the sultanate
3. The oath of allegiance of the pepatih dalem and regents in the sultanate territory to the VOC
4. VOC approval in dismissing pepatih dalem and regent
5. Pardoning the Regents who sided with the VOC during the Mataram war
6. The sultanate did not demand Madura Island and its coastal areas which were replaced with 10,000 rials each year.
7. Provision of assistance to Sunan Pakubuwana III if needed
8. Giving a certain price on foodstuffs to VOC
9. Sultan promised to obey the treaty of the VOC and the previous ruler of Mataram

The Giyanti Agreement had an impact on the division of the Islamic Mataram Kingdom and cultural civilization into 2, namely the Yogyakarta Sultanate and Surakarta Kasunanan. This agreement is proof of the end of the independent Kingdom of Mataram so that the Dutch government has full authority. [8]

The presence of the VOC in the midst of conflict is proven in articles 3 and 4 of the Giyanti Agreement that all pepatih dalem and regent must submit to the VOC which can be interpreted as the VOC has the right to interfere in political economy in the two fragments of the Mataram Kingdom. Dutch intervention into the kingdom, which was prone to conflict and power disputes, resulted in continued government instability. In the economic context, it can be seen from articles 2 and 8 that the Dutch benefited from the birth of this agreement in determining commodity prices in Java and ended up with monopolistic practices.

- **Perjanjian Padang dan Perjanjian Plakat Panjang**

The Padri War was originally a civil war that occurred due to differences of opinion between the Padri and the Indigenous people due to bad habits of the community such as cockfighting, drinking, gambling, and using matriarchate law in the distribution of inheritance. In 1815, the Padri won the war. The Indigenous people who lost the war asked the Dutch for help and surrendered the Minangkabau even though they no longer had power in the region.

Subsequently, the Dutch attacked and succeeded in expelling you Padri from Pagaruyung and built Fort Van der Capellen in Batusangkar. Dutch involvement in the conflict between the Padri and the Indigenous people made matters even more complicated. In the end, the Padri war became a people's struggle with the joining of the Padri and the community to fight the Dutch.

The Padri War in West Sumatra of 1803-1838 precisely in the Kingdom of Pagaruyung ended with the Treaty of Padang. At that time, Imam Bonjol would stop the resistance to the Dutch if the Dutch were able to meet the demands of the Padri people.. [9]

In the Treaty of Padang, the Dutch recognized the rule of the Padri in West Sumatra. In addition, the Dutch also asked the Padri and Indigenous people not to attack each other because they interfered with Dutch trade. The Dutch also asked to gradually stop the practice of cockfighting in the Society. At that time, the Diponegoro War that occurred in Java consumed a lot of Dutch power so the Dutch asked the Padri to carry out a truce with the Padang agreement. However, the Dutch violated the treaty and caused war to erupt again in which the Padri and the Indigenous people finally worked together against the Dutch.

The defense was attacked by resistance from the Padri and Indigenous peoples, forcing the Dutch to make a statement on the Long Plaque Agreement. The Dutch stated that the arrival of the Dutch to the Minangkabau region did not intend to control the territory but only to conduct trade. The following is the content of the Long Plaque Agreement issued in October 1883, namely: [10]

1. The ban on war exists in the Minangkabau region
2. The Netherlands will sanction anyone who starts a fight
3. Prohibition of Dutch officials from interfering in local government
4. Appointment of Minangkabau leaders to be representatives of the Dutch government
5. Full community protection by the government
6. Not applying taxes but with the condition of expanding coffee cultivation in Minangkabau.

After the Long Plaque Agreement in 1847, the Dutch implemented a forced cultivation system to monopolize coffee production which required coffee farmers to send their crops to the Dutch, one of which was based on article 6 of the Long Plaque agreement. After the coffee commodity was no longer profitable, the Dutch violated the Long Plaque agreement abolishing the cultivation system and replacing it with a direct tax by imposing a tax of 2% of the income of the entire population. In 1940 after popular resistance in Kamang, the Dutch increasingly controlled the Minangkabau region by implementing corporate tax, corporate tax, land tax, war tax, dog display, and tobacco tax which further afflicted the indigenous people.

- Perjanjian Imogiri

The Java War led by Prince Diponegoro ended with the surrender statement of Warlord Sentot Alibasyah Prawirodirjo to the Dutch on condition of entering into the Imogiri agreement. The content of the Imogiri agreement was that Sentot Prawirodirjo could remain Muslim and become a commander of troops during the Java War and still be allowed to wear a turban. In this agreement it is also written that Sentot surrendered on October 24, 1829.

Prince Diponegoro's struggle did not stop after Kyai Maja and Sentot Alibasyah surrendered to the Dutch and continued the war until 1830. But it is undeniable when the surrender of the two warlords caused the weakening of Prince Diponegoro's army, and Prince Diponegoro was arrested by Dutch trickery.

After Diponegoro's defeat, all leaders in Java surrendered to the Dutch except Ponorogo. The Dutch intervened in the Yogyakarta Palace so as to make economic policies that burdened the people. The Dutch again interfered in the affairs of the sultanate so that regional leaders began to lose sovereignty over their regions.

The economy of the community is increasingly destroyed due to the forced labor system and the tax burden that must be multiplied. In addition, the policy of using money to pay land tax caused people to be trapped in debt to Chinese loan sharks. The monopoly of teak wood trade and tax gates by the Dutch caused high costs that affected the people who became workers.

The impact of the war also caused harmony between Javanese and Chinese natives to stretch and suspect each other.



- **Traktat Pendek Aceh**

Aceh is a strategic area for trade and has commodities such as pepper, forest products, and mining. The war between the Aceh Sultanate and the Netherlands lasted for 31 years, from 1873 to 1904, based on the granting of freedom for the Dutch to expand their territory in Sumatra, including Aceh with the birth of the Sumatra Treaty [11]. The Aceh War consisted of 3 phases, the first known as the war between 2 countries because it was led based on the command of each army. Second, after the sultanate was controlled by the Dutch and the sultan who was on the throne was still a minor, the war was commanded by uleebalang. Third, after uleebalang surrendered to the Dutch the war turned into a universal nature that expanded throughout the territory of the Aceh Sultanate led by Teungku's leadership. [12]

The Sultan firmly rejected Dutch sovereignty in the territory of the Aceh Sultanate encouraging the Dutch to attack Aceh. The Dutch calculated that Aceh would be conquered easily because of the weak weaponry and military equipment. However, the Dutch did not explore the socio-cultural and religious aspects of Acehnese society which underlie the resistance of the Acehnese people. However, the Dutch calculation was wrong because of the persistence of the Acehnese people and based also on the Sabil War pledge by Acehnese leaders, popular resistance so that the Dutch were overwhelmed by it. [13]

The Aceh Short Treaty was a treaty prepared by the Dutch to end the Aceh War in 1873. This treaty was signed by Acehnese fighters captured during the Aceh War. The content of the Aceh Short Treaty officially issued in 1904 was that the Sultan was required to recognize Dutch power in his region and not conduct other foreign relations. In addition, leaders in the Aceh region had to abide by Dutch rules. The Aceh Short Treaty was signed by the Sultan of Aceh, Sultan Muhammad Daud Syah. Finally, Aceh submitted to the Dutch and followed all the rules made by the Dutch which caused misery to the people. People were forced to grow certain commodities and sell them at prices set by the Dutch. Since the Dutch succeeded in occupying Aceh Besar and the uleebalang region in the 20th century, the Dutch began to be able to invest in trading companies and oil companies. [13]

## 2. **Indonesia's Profits and Losses During the Dutch Colonization**

[14] Vereenigde Oost-Indische Compagnie (VOC) menguasai kekuatan ekonomi dan politik di pulau Jawa setelah runtuhnya Kesultanan Mataram pada abad ke-18. VOC memiliki hak untuk mencetak uang, membuat perjanjian dengan raja-raja bahkan membuat angkatan bersenjata sendiri. Kondisi sosial ekonomi pada saat itu sedang tidak stabil karena adanya Perang Dunia yang menyebabkan depresi besar serta banyaknya perubahan sosial. Keadaan ekonomi bangsa Indonesia sendiri berada pada posisi kritis pada saat itu karena terjadi monopoli perdagangan dan sistem tanam paksa yang dilakukan oleh bangsa Belanda. [14]

Intense competition with Britain, Napoleonic wars in Europe and the War in Java resulted in swelling financial burdens for the Dutch government. To obtain the main source of income for the Dutch, Governor-General Van den Bosch began the era of forced cultivation in 1830. The Dutch then monopolized the trade of export commodities in Java. Farmers had to hand over one-fifth of their crops at the price set by the Dutch without taking into account world market prices. This forced cultivation system ended successfully with an increase in Dutch government revenues by 19% and increased to 33% in 1860-1866. [15]

However, poor management, corruption and fierce competition from the British (East Asia Company) led to the collapse of the VOC in the late 18th century. In 1870 a group of liberals in the Netherlands won the position of the Dutch parliament and rejected the forced cultivation system for economic and humanitarian reasons. In 1901, Dutch Queen Wilhelmina issued a policy of Ethical Politics aimed at improving the welfare and standards of the indigenous population by intervening in the economic field including the construction of irrigation canals, improvement of the education system and emigration.

The ethical political policies of the Dutch queen did not have a significant impact on the lives of the indigenous population but did have an impact on the rise of Indonesian nationalism. Hierarchically, there were social levels in the Dutch colonial period, namely Dutch society, Indonesian nobility, and the lowest indigenous people as coolies and laborers. In terms of education, only nobles and elites could attend school at that time. The Indonesian nobles were allowed to learn about politics as well as concepts about independence and democracy, then the indigenous population led by the nobility developed a national consciousness as an Indonesian nation.

Trade competition between the VOC and the British caused the Dutch to continue harvesting the fruits of labor from

indigenous Indonesians without proper wages through the forced cultivation system. So to meet the treasury and finance the war, the VOC ordered every region in Indonesia to provide for various commodities to be sold. To meet the results of these commodities, the Dutch government made production and several transportation facilities for the easy distribution process of commodities harvested by the indigenous population such as the construction of highways, railway lines, and ports.

The policy of the colonial government with a system of land control and trade at home and abroad in the economic sector. The economic condition of the people affected during the implementation of colonial politics caused gross production to grow well. Production with very simple technology cannot produce a surplus of marketable production in order to obtain enough cash to pay taxes and buy daily necessities such as kerosene, matches and other consumptive goods. [16]

The Indonesian population remained categorized as poor despite the increase in national commodity production caused by the monopoly imposed by the Dutch colonial government. During the cultivation era, the Dutch government ordered farmers to plant export crops, while the Dutch led by Governor-General J. Van den Bosch monopolized the export of harvested commodities. The peasants were ordered to hand over their crops, and in return the peasants received planting wages. However, the cultivation system harms the community because it drains Indonesia's wealth. [17]

The trade monopoly in Indonesia was carried out by the Dutch colonial after obtaining commodities that were sold on the international market. At that time the community was forced to sell their crops to the Dutch at a price determined by the Dutch. The meager income from crops caused the people to suffer from hunger and even death. Indonesians also suffer physically from working too hard.

The cultivation system (*cultuurstesel*) carried out by the Dutch government was motivated by the financial difficulties of the Dutch government, where the Indonesian people were burdened by various taxes in the form of agricultural products by being required to grow crops that sold well on the international market. Furthermore, the Dutch government bought the produce at a very cheap price and was prohibited from selling the produce to other traders. [18]

Before the Dutch came to Indonesia, the majority of people did not know money as a medium of exchange. Indonesian people still use the barter system to meet their daily needs. The arrival of the Dutch began to introduce the money economy and began to replace the barter system. In addition, during the colonial period the Dutch developed plantation sectors in various regions in Indonesia such as private plantations, state and community plantations that produce sugarcane that can be harvested periodically. In addition to sugarcane, many plantations were made including tea plantations in West Java, coffee plantations in Sumatra and others. The creation of this plantation was accompanied by the construction of a factory to process plantation products. In addition to factories, the Dutch colonial government also built an irrigation network to irrigate rice fields covering an area of 11,870 km<sup>2</sup>. In the early 19th century, the Dutch East Indies became a major exporter of several commodities such as sugar, rice, tobacco, coffee, tea, rubber and quinine. [19].

The Dutch government establishes immigration policy through open-door politics by opening as wide as possible for foreigners to enter, stay, and become Dutch citizens to obtain allies and investors from various countries in order to develop exports of plantation commodities in Indonesian territory. However, the presence of foreigners can also be used to jointly exploit and suppress the indigenous population. [20]

In the perspective of economic development, during the period of Dutch colonial rule it was well indicated. The per capita income of the Indonesian population increased during the period of economic liberalism due to export earnings. Indonesia's economic growth is higher than world export growth. It can be concluded that Indonesia has a good economic performance.

## V. CONCLUSION

In an effort to expand its power in Indonesia, the VOC began to interfere in various policies and conflicts in the region by conducting politics of fighting (*devide et impera*). These actions had a negative impact on society because of oppression and bad attitudes so that the Indonesian people began to resist. The Bongaya Agreement between the Netherlands and the Sultanate of Gowa (Makassar) had a very severe impact on the economy of the community where the Dutch had full power over the government and commodity monopoly in the Makassar region. The same thing happened in Java, the birth of the Giyanti agreement became the beginning of the collapse of the Mataram sultanate and Dutch interference in the economy and government caused misery in the Java region. The struggle of the Minangkabau people which was stopped with the Long Plaque agreement finally tormented the people because the Dutch reneged on the agreement and took advantage of the coffee monopoly in West



Sumatra. The Imogiri Agreement of the Diponegoro troops who surrendered to the Dutch also stopped the Diponegoro War even though the Dutch captured Prince Diponegoro by ruse. After Prince Diponegoro was arrested, the Dutch became more powerful and entered the government in all regions in Java except Ponorogo. Finally, the Aceh Short Treaty which became the end of the Aceh War for 3 decades which allowed the Dutch to control trade routes and commodities in Aceh in the form of pepper, forest products, and mining.

In the Dutch colonial period, the Indonesian people suffered losses but on the other hand also received benefits that some can still feel the benefits to this day. From this situation can be analyzed about the advantages in Dutch colonial rule in Indonesia such as the introduction of the money system as a medium of exchange which was then followed by the emergence of modern banks and the introduction of the banking system in Indonesia, the development of agricultural and plantation systems, the construction of irrigation canals, buildings, highways and transportation to support the productivity of the community at that time, and the opening of investor paths into Indonesia.

Meanwhile, there were also economic losses experienced by the Indonesian people during the Dutch colonial period such as the decline of education in Indonesia, trade monopolies that were carried out harming the Indonesian people, income from commodities and economic development in Indonesia that were not enjoyed by the Indonesian people, and the misery of the people due to the forced cultivation system and slavery by the Dutch colonial government.

The impact of Dutch colonial activities on the economy in Indonesia did have a positive side with the introduction of the application of the system and the construction of facilities to support national economic activities. But behind the positive side, the suffering of the Indonesian people at that time could not be balanced with the relics given. In the process of economic growth led by the Dutch colonials were ridden by misery, famine, death, and even massacre of the population. So it is necessary to study more deeply about the history of the struggle of the previous Indonesian nation.

#### **REFERENCES**

- [1] W. P. Utami, "Kebijakan transportasi Haji masa kolonial Belanda (1825-1893)," Sarjana thesis, UIN Sunan Gunung Djati Bandung, Bandung, 2022.
- [2] S. Tippe, *Ilmu Pertahanan: Sejarah, Konsep, Teori, dan Implementasi*. Jakarta: Salemba Humanika, 2016.
- [3] P. Yusgiantoro, *Ekonomi Pertahanan Teori dan Praktik*. Jakarta: PT. Gramedia Pustaka Utama, 2014.
- [4] A. Rinaldi, "Perjanjian Bungaya yang Diperbaharui 1824," Skripsi, Universitas Hasanuddin, Makassar, 2021.
- [5] Y. A. Leonard, *The Heritage of Arung Palakka : a history of South Sulawesi (Celebes) in the Seventeenth Century*, 3rd ed. Makassar : Innawa, 2013.
- [6] Hasaruddin, "PEMBAHARUAN PERJANJIAN BONGAYA: Dampak Pada Kesultanan Buton," Feb. 2022, Accessed: Apr. 21, 2023. [Online]. Available: <https://www.ejournal.lppmunidayan.ac.id/index.php/sejarah/article/view/544>
- [7] I. Suwartini, "Dampak Pejanjian Giyanti (5) Niat Memecah belah Mataram dengan 10 Pasal Perjanjian," Koran Merapi, 2022.
- [8] Faridi Komar, "DINAMIKAKERAJAAN MATARAM ISLAM PASCA PERJANJIAN GIYANTI TAHUN 1755-1830," Universitas Jember, Jember, 2017.
- [9] G. Asnan, *Kamus Sejarah Minangkabau*. Padang : Pusat Pengkajian Islam dan Minangkabau, 2003.
- [10] U. Liona, A. Mulyana, and L. Yulifar, "PLAKAT PANJANG HINGGA PERANG KAMANG: GERAKAN RAKYAT MINANGKABAU MENENTANG PAJAK KOLONIAL BELANDA," *HISTORIS : Jurnal Kajian, Penelitian & Pengembangan Pendidikan Sejarah*, vol. Vol, 5 No. 2, pp. 113–122, Dec. 2020..
- [11] M. F. Fauzan, "Perlawanan Teuku Umar Terhadap Penjajahan Belanda Di Aceh (1873-1899)," Skripsi, Universitas Islam Negeri Syarif Hidayatullah, Jakarta, 2020. Accessed: Feb. 24, 2023. [Online]. Available: <https://repository.uinjkt.ac.id/dspace/bitstream/123456789/51283/1/fulltext.pdf>
- [12] H. Octaviani, "Tipologi Masyarakat Aceh pada Perang Aceh-Belanda 1873-1942," Skripsi, Universitas Islam Ar-Raniry Darussalam, Banda Aceh, 2020.

- [13] M. Ibrahim et al., *Sejarah Daerah Propinsi Daerah Istimewa Aceh*, 2nd ed. Jakarta: Proyek Inventarisasi dan Dokumentasi Sejarah Nasional, 1991.
- [14] D. Gumulya, "DESAIN PRODUK DENGAN INSPIRASI ART DECO EROPA ERA TAHUN 1920 DENGAN PENDEKATAN CHART MORFOLOGI," *Jurnal Patra*, vol. 2, no. 2, pp. 1–10, Oct. 2020, doi: 10.35886/patra.v2i2.114.
- [15] Indonesia Investments, "Sejarah Penjajahan Indonesia," <https://www.indonesia-investments.com/id/budaya/politik/sejarah-penjajahan/item178?>
- [16] Santi Muji Utami, "PENGARUH POLITIK PINTU TERBUKA TERHADAP MASYARAKAT PEDESAAN DI JAWA ," Universitas Negeri Semarang, 2011.
- [17] Hery Setyo Adji, "PROSES PEMBANGUNAN EKONOMI DALAM PERSPEKTIF HISTORIS KOMPARASI ANTARA INDONESIA DAN JEPANG," vol. 2, pp. 1–13, 1997.
- [18] Agus Susilo and Sarkowi, "PENGARUH POLITIK CULTUURSTELSEL TERHADAP PERKEMBANGAN MASYARAKAT INDONESIA TAHUN 1830-1870," *SWADESI*, vol. 1, 2020.
- [19] Ayu Ma'as, "Warisan Kolonial Indonesia di Bidang Ekonomi dan Transportasi," <https://kids.grid.id/read/472999969/warisan-kolonial-indonesia-di-bidang-ekonomi-dan-transportasi-ips-kelas-vii-smp?page=all>, Nov. 19, 2021.
- [20] Direktorat Jenderal Imigrasi, "Imigrasi Zaman Penjajahan," <https://www.imigrasi.go.id/id/profil-sejarah-zaman-penjajahan/>, 2021.