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NSC BRIEFING



19 June 1957

- Cabinet's meek acceptance of Sukarno's 45-member national advisory I. council is another step toward "guided democracy" and defeat for moderate political elements in the central government.
 - A. Although Sukarno appears to have made minor concessions to meet objections from Prime Minister Djuanda, council is composed chiefly of leftists and Sukarno yes-men.
 - at least 15 are known Commies 25X1A 1. or strongly sympathetic.
 - Although council's role has not yet been defined, its vice В. chairman (former foreign minister Abdulgani, recently convicted for corruption) has said council would be only advisory, but that advice would be so good that it would not be "flung to the winds."
 - It has been clear for several months, moreover, that Sukarno himself intended to dominate governmental policy through the Council.
- Sukarno's high-handed method of ramming council through cabinet II. will probably aggrevate regional unrest.
 - Nasution's "settlement" of East Indonesian problem appears to be considerably less successful than advertised.
 - Nasution "deposed" and ordered 25X1A 1. transfer of dissident Lt. Col. Sumual, Territory VII commander (Hq: Makassar) and split his area into four regional commands each directly responsible to Djakarta.

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- B. Sumual, however, is still in Makassar claiming to be in charge of a new inter-regional command, and all four regional commanders are believed to be pro-Sumual officers.
- 25X1C C. Nasution is either unwilling or unable to force Sumual to report to Djakarta for reassignment and that anti-Djakarta sentiment in East Indonesia is strong as ever.
 - III. Nasution's strenuous efforts to achieve a quick settlement in East Indonesia may have been motivated by desire to give more attention to Sumatra, where fresh troubles seem to be in the offing.
 - A. Deposed rebel commander Colonel Simbolon is reported making plans to regain control of Medan-Siantar area of North Sumatra, a region of strong Communist influence and the only one which central government still administers.
 - B. Simbolon believes that the local commanders in Central and South Sumatra (Lt. Cols. Hussein and Barlian) are now sufficiently entrenched to control their areas against Djakarta in almost any eventuality.
 - C. He also thinks he will be able to pull off an "almost bloodless coup" against government forces around Medan by late August or early September.
 - 1. He has reached an agreement with Daud Beureuh, leader of Atchinese rebels the fanatical Moslems in northernmost part of Sumatra.
 - 2. Beureuh reportedly will give Simbolon military support, if necessary, to regain Medan.
 - IV. In Djakarta, first local elections for 45-seat city council to be Approved For Release 2000/08/29: CIA-RDP79R00890A000800080004-7

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- A. National Party, which won 1955 national elections, predicts it will win in Djakarta, but other political leaders reported by press as believing Communists are almost certain to gain majority of seats.
- B. Communists, who did poorly in Djakarta in '55, have been working hard and reportedly are using large sums of money from "unknown sources."