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OFFICE OF THE ASSISTANT CHIEF OF STAFF, G-2, INTELLIGENCE*ARMY Declass/Release Instructions ^{TAB "A"} On File*G-2 CONTRIBUTION TO SE-51 (Formerly NIE-77/1): THE SIGNIFICANCE
OF THE NEW INDONESIAN GOVERNMENT

A. 1. What caused the former (Wilopo) government to fall? What were the positions of the major parties regarding the formation of a new government after the fall of the Wilopo cabinet? What were the important factors in the failure of the formateurs prior to Wongsonegoro, and why was he able to succeed?

The resignation of the Wilopo Cabinet on 2/3 June 1953 was brought about by the failure of one of the two principal government parties--the Nationalist (PNI)--to support the government's program for Land Distribution in North Sumatra.

The positions of the major parties on the formation of a new Cabinet were essentially:

- a. PNI (Nationalist Party): Generally opposed to any Cabinet in which either the Masjumi (Moslem Party) or Socialists (PSI) took a leading part; disposed to the formation of a Cabinet in which Communists or Communist-front groups were included.
- b. Masjumi (Moslem Party)/PSI (Socialists): Generally opposed to participating in any Cabinet in which the Nationalist Party and the Communist Party were included--so long as certain issues between the Masjumi/PSI on one side and the PNI on the other were left unsettled.
- c. PKI (Communist Party): Disclaimed any desire to participate directly in any Cabinet, but offered to support any Cabinet which did not include in its program activities detrimental to the PKI. PKI was enthusiastic in its support of PNI attempts to form a Cabinet.
- d. G-2 has insufficient information to determine factors in the failure of the formateurs prior to Wongsonegoro, and why he was able to succeed.

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2. What role President Sukarno played during the Cabinet crisis?
Why was the present government accepted by Sukarno? Does his acceptance
of this leftist government indicate a change in his political orientation?
Have his actions affected his position in Indonesia?

President Sukarno, probably as a result of personal attacks by Moslem leaders, appeared reluctant to call on the Masjumi to form a Cabinet, in spite of the fact that Masjumi threats to withdraw from the Wilopo Cabinet over PNI opposition to the Government's Land Distribution Program in Sumatra, seemingly brought about that Cabinet's fall.

The Government formed by Wongsonegoro was the first and possibly the only one which could achieve Parliamentary support unless both Masjumi and PNI could be persuaded to participate in and support the same Cabinet program. Sukarno's acceptance of this Cabinet does not represent any notable change in his political orientation, but rather a continuation of the part he has been playing for the past year or more. Responsibility for the new Cabinet appears to lie solely with Sukarno.

G-2 has insufficient information as to whether President Sukarno's action has affected his position in Indonesia.

3. What has been the role of Vice President Hatta?

Vice President Hatta apparently remained aloof throughout most of the Cabinet crisis. There appears to be an open breach between Hatta and Sukarno. The development of this gulf can be traced back at least to July 1952 when a dispute over the control of the Armed Forces first came into the open. At that time Sukarno maintained that the 1950 Constitution carried over in intent the provisions of the 1945 Constitution which made the President the de facto Supreme Commander of the Armed Forces. On the other hand, Hatta and the Sultan of Djogjakarta, who was Minister of Defense at the time the dispute arose, maintained that the 1950 Constitution provided that the President was only ex officio Supreme Commander of the Armed Forces.

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B. WHAT HAVE BEEN THE POLITICAL TRENDS IN INDONESIA SINCE 1948, IN:

1. the Parliament; and

The Parliament, reflecting trends in the political orientation of the political parties, has moved increasingly to the left. Leftist leanings are not reflected in the legislation but rather in an increasing willingness on the part of parties and individual members to participate in Communist-sponsored or pro-Soviet activities. Their participation, while not in itself evidence of Communist sympathy, has been accompanied by an official parliamentary reaction favoring the balancing of ties between the West and the Soviet Bloc which, in effect, lessens Western influence.

2. the political parties and labor organizations

Since 1950 when the Soviet Union recognized the Indonesian Government, the Communist Party of Indonesia (PKI) has been making a considerable effort to develop an effective "united front" of political parties and to influence other Party leaders sympathetic to various Communist causes. The most notable success the PKI has had in this effort is among the left-wing of the Nationalist Party (PNI) which between 1950 and the present appears to have gained control of that party. Furthermore, during the same period, other parties, notably the United Islamic Party (PSII) Labor Party (Partai Burah), Indonesian Peasants Group (BTI), Indonesian Peoples Union, (SKI), as well as non-affiliated individuals, have increasingly favored policies subscribed to by the Communists. This has provided for a leftist trend, not only in these parties but also in the Parliament, as described above. There has been no balancing swing in the more conservative parties to oppose these leftist trends favoring closer relations with the Soviet Bloc countries or to favor expanded relations with the West.

SOBSI, the largest federation of Indonesian trade unions, is Communist-controlled. Encouraged by the United States and the ICFTU (International Confederation of Free Trade Unions), an effort was made in 1952 by non-Communist unions to unite in order to strengthen their opposition to

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SOBSI. The result of this effort was the eventual establishment of the All Indonesia Congress of Workers (KBSI). The KBSI probably will not be effective in opposing SOBSI. Among the several indications of its limitations is the fact that Dr. Kusnan, who heads the KBSI, is a member of the PNI and is expected to attempt to run the KBSI for the benefit of the PNI, which, as stated above, is collaborating more and more with the PKI. In addition, Kusnan's Union, now affiliated with KBSI, has in the past cooperated with SOBSI and three of his best union leaders were sent to Peking in 1953 for the May Day celebration despite the refusal of other non-Communist union leaders to attend. Thus, the trend in labor appears to be stronger than ever toward the left.

C. WHAT IS THE POLITICAL COMPOSITION AND STRENGTH OF THE NEW GOVERNMENT?

1. What is composition of the new government? What are the relationships of the Cabinet and one another and what are their individual relationships with Sukarno and Hatta?

G-2 has some biographic information, although not in sufficient detail to establish past relationships.

2. What is the extent of the support for the new government in the:

a. Parliament

In spite of statements by 1st Deputy Prime Minister Wongsonegoro that the Cabinet can count on 114 votes plus all 15 Non-party votes in the Parliament not including the 23 Communist votes, it is estimated that the new government can count on only 92 votes of the participating Cabinet parties plus 8 or 9 Non-party votes. The new government can be opposed by 80 votes of the non-participating parties plus 6 or 7 non-party votes. The balance of power lies in the 23 Communist votes.

c. Armed Forces and National Police

The Armed Forces and Police have adopted a policy of watchful waiting concerning the new Cabinet. We estimate, however, that approximately seventy-nine of the eighty-five combat battalions in North Sumatra, West Java, and Central Java, along with about fifty percent of the National

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Police Brigade (about 96,000 men) probably would oppose any Cabinet moves to remove present Army leadership.

Fifty-six combat battalions (about 57,000 men) in East Java and East Indonesia and to a far lesser extent the seven combat battalions (about 10,000 men) in South Sumatra probably would support any PNI-PKI sponsored moves within the new government to remove or weaken the Army leadership.

d. General public

The general public seems to be largely apathetic.

3. To what extent does the new government enhance the ability of the Communists to influence policy?

The Communist position to influence policy has been enhanced. The Communists will continue to exert pressure for policy decisions and actions which will (1) undermine the strength and prestige of the Masjumi and the Socialists, and (2) lessen Western influence either by balancing it with increasing ties with the Communist Bloc or by denouncing it as imperialistic. Efforts to undermine the strength of the Masjumi will be supported by both the PNI and weaker political elements now forming the Government. Many of the parties already subscribe to efforts directed toward balancing Western and Communist Bloc influence.

What is the Communist strength or ability to influence policy and action in the following:

a. Parliament. The Communist role in Parliament is to further their program toward domination of Indonesia. Through their voting strength, which represents the balance of power in Parliament, the Communists can by intimidation exert considerable influence.

b. the Cabinet. The Communists will influence many of the Cabinet members on a variety of subjects. Communist strength, however, in the Cabinet is limited to fellow travelers, since the PKI is not actively participating. Prime Minister Sastroadmidjojo has announced that all issues on which the Cabinet cannot agree will be referred to the Parliament. In this event the PKI balance of power probably would mean a decision in their favor.

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c. the leadership of the Armed Forces and the National Police force?

Nearly all the principal leaders in the Armed Forces and Police are non-Communist. No firm figures are available, but there have been numerous reports of Communists or fellow travelers in the lower echelons of command. The Communists presumably have carried on subversive activity at all levels of the Armed Forces and Police. Although the new Minister of Defense, Iva Kusumasumantri, has a leftist background, opposition to Communist-line policies probably will be resisted successfully by the non-Communist Armed Forces leaders. For the most part Communist influence probably will be applied in Parliament in order to promote Armed Forces regulations aimed at weakening the military structure. Increased efforts to subvert individual members of the Armed Forces and Police probably will continue.

d. the permanent staffs in the ministries and governmental departments?

G-2 can cite no figures regarding Communist strength except a few estimates of SOBSI-controlled unions in some elements of the government staffs. However, it is believed that there is no large-scale, well-organized opposition to the PKI or to many of the policies which it proposes. It is further believed that, in the event that the government does not attempt to take security action against Communists, a strong effort will be made to insert Communists or Communist sympathizers into key positions of control and influence.

e. The Nationalist Party; other parties?

There are indications that leaders of various parties have been participating in Communist activities such as the peace movement and various contacts with the PKI and support of policies favored by the Communists. There is no evidence of the extent of infiltration or the firmness with which any party will remain committed to its present course. It is estimated, however, that unless the Communists make a blatant mistake

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possibly in connection with their position vis-a-vis the Armed Forces, most of the parties now participating in or supporting the government will continue to follow their present course. This course will increase Communist strength and the PKI's ability to influence policies subscribed to and actions undertaken by these groups.

f. the labor movement?

What is the potential for Communists to increase their influence in these various governmental organs and political groups?

The potential for extension of Communist influence is such that there will be continuing increases until the Communists eventually participate in the control of the government.

4. What are the capabilities of the opposition to affect the position of the new government with respect to program and longevity? What tactics are they likely to adopt?

In Parliament, the opposition parties can do little more than talk, for they lack the voting strength to defeat the Cabinet supporters. As in the case of the Wilopo Cabinet, from which the PKI succeeded in splitting the PNI support, the opposition parties must probe for weaknesses in both the PNI and the PIR (The Greater Indonesian Party - 15 seats in Parliament). The opposition will probably attempt to split the PNI, in which case the conservative members in Parliament might be able to persuade conservatives in the other nationalist parties to defect. Failing this, the opposition might support a "Holy War" or a coup d' etat organized by portions of the Armed Forces.

D. WHAT POLICIES WILL PROBABLY BE ADOPTED BY THE NEW GOVERNMENT?

1. With respect to domestic issues and problems:

a. Development of national defense policy and laws and the reorganization of the military forces, including the solution to the "17 October affair."

The new Cabinet probably will avoid decisions relating to national defense policies, laws and reorganization of the Armed Forces while attempting to conduct their announced program of anti-dissident

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operations in Java and the Celebes. However, the Defense Minister is known to favor the development of a strong Indonesian Navy. Probably no legal action will be taken against officers involved in the 17 October affair. Personnel shifts within the Armed Forces will probably take place gradually, placing officers loyal to the new government in strategic positions.

b. Suppression of dissident groups, principally the Darul Islam and the insurgents in the South Celebes.

The present Cabinet has promised to launch strenuous anti-dissident operations, although no clear plan of attack has been enunciated. This portion of the Cabinet program will receive widespread popular support for various reasons. The PKI and Communist labor and front organizations have been increasingly vociferous in their demands for the Government to take decisive measures against the dissident elements, particularly in Java. The military and police forces, non-Communist groups, and, recently, even Moslem organizations also have called for Government action. Communist support of ^{an} anti-dissident program, however, is in line with their desire to weaken the Indonesian Armed Forces, thereby reducing effective opposition to Communist efforts in Indonesia. Because Indonesian Communists do not control directly any sizeable military force, no greater advantage could come to them than a further weakening of the Indonesian Armed Forces through the attrition and decimation brought about by a long and costly internal war.

c. the holding of national elections.

Immediate national elections have been promised by the new Cabinet, but the same difficulties anticipated in NIE-77, par 51, in implementing the election law will be encountered, and actual elections probably will not be held for an additional six to twelve months (1955) at best.

E. DOES THE NEW GOVERNMENT REPRESENT A SIGNIFICANT CHANGE IN THE POLITICAL TREND IN INDONESIA?

No change is represented in Indonesia's political trend by the new Cabinet, although the greatly enhanced position of the Indonesian Communists represents the highest point achieved since the transfer of sovereignty.

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F. WHAT WOULD BE THE PROBABLE COURSE OF DEVELOPMENTS IN INDONESIA OVER THE NEXT SIX MONTHS IF THE NEW GOVERNMENT WERE TO:

1. Seek rapid implementation of the program outlined in Section D above?

A rapid implementation of the Cabinet's program probably would result in civil disturbances verging on civil war in which the Armed Forces in the territories generally opposed to the Cabinet would be supported by Moslem and Socialist party followers.

2. Seek to implement its program over a six-month period or longer, meanwhile seeking to replace leaders in the Armed Forces and key personnel in the ministries with persons loyal to the new government?

Should the new government be successful in gradually replacing leaders in the Armed Forces and key ministries, the Communist position in Indonesia will be strengthened.

G. WHAT IS THE LIKELY DURATION OF THE NEW GOVERNMENT? WHAT WOULD BE THE PROBABLE COMPOSITION OF A SUCCESSOR GOVERNMENT?

The present Cabinet is very likely to enjoy a life as long as the record 14-month service of the preceding Wilopo Cabinet. Succeeding Cabinets probably will be even more leftist in composition.