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CENTRAL INTELLIGENCE AGENCY Office of Current Intelligence 7 October 1965

INTELLIGENCE MEMORANDUM

The Indonesian Situation

(Report #19 - As of 6:00 AM EDT)

- 1. The apparent stalemate between Sukarno and the army leadership continues. Djakarta itself is peaceful with General Suharto's forces incomplete control, and almost all of Indonesia remains outwardly calm. Some limited dissidence continues in Central Java, but army leaders in Djakarta apparently do not consider it a threat to their control.
- 2. No significant trends were indicated at the cabinet meeting which Sukarno held on 6 October--the US Embassy in Djakarta had earlier suggested that the meeting would be the key turning point indicating the extent to Which Sukarno will be able to resume control. M. H. Lukman and Nojoto, who rank second and third in the PKI, reportedly attended the meeting but PKI Chairman Aidit has still not been heard from.
- 3. Earlier reports that Air Marshal Dani had been' placed under "protective custody" by the army were apparently dispelled by his presence at the cabinet session. Since announcing the arrest of several Halim Air Force base personnel suspected of being involved in the "30 September Movement," Dani has issued an ultimatum giving air force rebels 72 hours to surrender or be "hunted down and severely dealt with." This action is almost certainly a further attempt by Dani to disassociate the air force command from its initial involvement in the coup.

State Dept. review completed

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4. A public statement from the PKI Central Committee (dated 5 October) is apparently being suppressed by the army. The statement is the first official PKI comment on the "30 September Movement" since Suharto took control. It states that after careful study the CC-PKI fully supports the message of President Sukarno and believes that the "30th September Movement was an internal army matter and the CC-PKI did not participate in it." Events of the past seven days have put the PKI and pro-Communist elements on the defensive and there is almost a complete communications breakdown within the party.

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