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CENTRAL INTELLIGENCE AGENCY Office of Current Intelligence 24 October 1965

INTELLIGENCE MEMORANDUM

The Indonesian Situation (Report #40 -- As of 4:00 PM EDT)

- 1. First Deputy Prime Minister Subandrio, who is also Foreign Minister, made his first major political statement at the 23 October meeting of regional officials in Djakarta. His speech, like President Sukarno's, was clearly directed at undercutting the army's political assertiveness and its anti-Communist campaign.
- 2. He alluded to accusations that he himself was involved in the 30 September plot, but pointed out that he had been in North Sumatra in the company of a high ranking army officer when he heard news of the coup. He asserted that he could "never become an opportunist" and had so pledged to President Sukarno. Subandrio noted that elements of the armed forces as well as of the Communist Party were involved in the coup. He said that there are indications that several newspapers now being published are financed by CIA.

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- 6. Possibly an indication of the drift of power in Sukarno's favor is the statement of the Information Minister on 23 October that the press situation is "not yet satisfactory." He called on journalists throughout Indonesia to conduct a joint "introspection and correction." He said that in the near future he would review the existing press and take measures for the purpose of "screening and bringing order." Control of information media was returned last week from the army to the Ministry of Information. Under army management the press had developed a marked anti-Communist posture.
- 7. Two more army regional commands have banned the activities of the Communist Party (PKI) and its affiliates. Nine of the 17 commands have now taken this action. In several areas, the ban is accompanied by an order that leaders of the party and its front organizations register with the police.

8. Sukarno will leave shortly for Algiers and later will go to Vienna presumably for medical treatment. Subandrio's departure early in the week, apparently for Algiers, seems to be firm.

9. If Sukarno should leave Indonesia also, this would seem to indicate that he feels considerable confidence in his own position. In the past, he has frequently left the country after a crisis apparently in order to let the dust settle and to evaluate from a distance how to proceed.

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