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State Dept. review completed

Central Intelligence Agency
Office of Current Intelligence

INTELLIGENCE MEMORANDUM

The Situation in Indonesia
(Report # 51 -- As of 4:00 P.M. EST)

1. The army is continuing to widen its independent role in Indonesian affairs.

[Redacted] the army is moving "its people" into all aspects of the governmental framework with a view to keeping control of political trends and events and has no intention of allowing civilians to resume control of the country. The army is also training and arming Moslem youths in Central Java as a counterweight to Communist influence in that area.

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2. The military is allowing Moslem and other anti-Communist groups to take the lead in the campaign against First Deputy Premier Subandrio, preferring to remain in the background on this issue. The army has, however, announced an impending reorganization of the Supreme Operations Command (KOTI), the chief military policy-making body. Subandrio has served as Sukarno's chief deputy on this body. Army Commander Suharto is to carry out the reorganization, and it likely that Subandrio will be removed in the reshuffle.

3. It appears that Suharto is assuming an increasingly active role in army and national affairs. He, rather than Defense Minister Nasution, is reported to be giving day-to-day orders to the army and to be dealing directly with Sukarno. The Embassy feels that he may be emerging as a "strong man" in the present Indonesian context, although the army apparently has plans for Nasution eventually to succeed Sukarno upon the latter's death.

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Sukarno still retains

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most of his prestige and still has considerable room for maneuver. The Embassy comments, however, that the atmosphere at the Presidential Palace is one of increasing "unreality" in contrast to the businesslike bustle at army headquarters.

5. At the same time the army is continuing its hunt for PKI chief Aidit. An army spokesman reports that he has been seen several times in Central Java, and army forces are attempting to surround him in the area.

6. The PKI itself is said to believe that at the moment it is losing the struggle with the army and Indonesian religious groups, but still has many assets, including Sukarno and the politicians closest to him. This relatively sanguine assessment may be an attempt to bolster party morale.

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7. The military, however, continues to fear a PKI uprising on or about 10 November, which is a national holiday. In particular it feels that its forces are spread too thin in East Java, but it remains reluctant to reinforce East Java with troops drawn from Central Java because of the potentially explosive situation in the latter area.

8. Some 5,000 more PKI members publicly renounced Communism today in a ceremony in Bojolali, Central Java, [redacted] The army has been publicizing similar mass renunciations for several days.

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