OCI No. 2916/65

CENTRAL INTELLIGENCE AGENCY Office of Current Intelligence 6 November 1965

INTELLIGENCE MEMORANDUM

The Indonesian Situation
(Report #53 -- As of 4:00 PM EST)

1. The four-hour plenary cabinet meeting on 6 November appears to have done little to change the power relationship between Sukarno and the army. The president has, however, made minor concessions to the army, and may be edging his way toward a formal ban of the Communist Party (PKI).

25X1

4. Oei Tjo-tat, a minister of state attached to the cabinet presidium, and a crypto-Communist, has been released from all cabinet responsibilities but will retain his cabinet title. Oei Tjo-tat has been a trusted henchman of both Sukarno and First Deputy Prime Minister Subandrio who is also Foreign Minister. An authorization, conferred on Oei last June by the president, to utilize the services of both the Central Intelligence Bureau (which is headed by Subandrio) and the Special Affairs bureau of the State Secretariat was withdrawn on 4 November.

State Dept. review completed

- 7. In Central Java, the army took further protective steps against elements of dubious loyalty. It dissolved the civil defense staff headquarters in most of the cities in three subprovincial areas where Communist influence is strong and placed civil defense facilities under the direct control of the local military commanders. In most instances, these commanders are concurrently serving as acting mayors or district heads.
- 8. A battalion of marines with an artillery support unit, which has been sent to Central Java to assist the security effort, paraded through Semarang on 5 November and in a formal ceremony accepted its new assignment. It then departed for the interior.
- 9. The Indonesian Foreign Office has notified the diplomatic and consular corps in Djakarta that "due to the internal situation at this time," neither official nor unofficial travel by members of foreign missions will be permitted outside Djakarta until further notice.
- 10. The Peking press on 6 November gave front page coverage to the 4 November note sent by the Chinese government to Djakarta protesting the recent

Approved For Release 2007/03/06-PHA-RDP79T00472A001500040052-5

mob attack on the Chinese consulate in Medan, North Sumatra. In addition, the Peking press gave prominence to a long roundup of events in Indonesia since 20 October. Like an earlier press wrap-up, this compilation laid heavy emphasis on anti-Chinese activities in Indonesia. It accused rightwing forces, the Indonesian army, and hooligans of repeatedly and "grossly violating the diplomatic privilege to which Chinese diplomatic agencies and personnel in Indonesia are entitled."