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CENTRAL INTELLIGENCE AGENCY  
Office of Current Intelligence  
9 November 1965

INTELLIGENCE MEMORANDUM

The Situation in Indonesia  
(Report #56 - As of 4:00 P.M. EST)

1. The anti-PKI drive continues at full throttle. In Djakarta today a rally--the largest in the memory of the US Embassy staff--called for the proscription of the Communists. A spokesman for Sukarno who called for calm and temperance was heckled with cries of "crush the PKI."
2. Defense Minister Nasution has issued a statement strongly critical of the PKI in which he revealed that the army has asked Sukarno that all who "slandered" the army and its officers be "tried for treason." Nasution compared the 1 October insurrection to the Communist uprising of 1948, in which the party was crushed for several years.
3. An authoritative army source has told the US Embassy that despite the ostensible support offered by Sukarno to Foreign Minister Subandrio and several pro-Communist ministers at last Saturday's cabinet meeting, the army is interpreting the President's remarks to mean that these men are "dispensable" and will act accordingly. The source added that the army is anti-PKI and anti-Chinese Communist but not anti-Communist as such. This position may facilitate any attempt by Sukarno and the PKI leaders to set up a new party under another name.
4. General Sukendro, the only member of the army's "brain trust" to survive the 1 October blood-bath, believes that Sukarno does have in mind the establishment of a new, nationally-oriented Communist Party. He added that the army would accept communism as an "ideological but not a physical" element in the Indonesian political structure, and noted that the military does not want a party tied either to Moscow or to Peking.

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5. Sukendro also said that the army does not want to rule as a military dictatorship or junta. The idea appears to be that the army would accept "trustworthy" civilians as "partners" of the military in running the country.

6. A Moslem organization in Central Java reports that the army there is not only weeding out suspected Communist sympathizers from its own ranks but also shooting suspected Communists on sight. Some 3,700 PKI members are already reported to have been killed under this policy. While this figure may be somewhat inflated, the army is clearly acting ruthlessly in this area of greatest Communist strength.

7. The army is also pushing the anti-PKI drive in Northern Sumatra. Removal of PKI members or sympathizers from responsible or influential positions continues at all levels. The possibility is growing that the dismissal of so many low-level PKI adherants will create a pool of desperate men which the PKI can use for terrorist activities. Isolated terroristic acts continue in the area, but there has been no wide-scale insurgency, although the army continues to guard against this possibility.

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