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160

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25X1

25 May 1967

25X1

Central Intelligence Bulletin

CONTENTS

Communist China - Hong Kong: Hong Kong Communists show uncertainty in face of unyielding British stance. (Page 6)

Indonesia: Suharto moves to combat government corruption. (Page 8)

25X1

25X1

Next 6 Page(s) In Document Exempt

25>

25X

take in face of the unyielding British stance.
The Hong Kong Government is taking further action to curtail the agitation. The authorities have banned the broadcast of inflammatory statements from loudspeakers and set heavy penalties for violators.

Sporadic strikes yesterday by the bus drivers' union were partially effective. Half the employees in the gas company walked off their jobs for four hours, but service was not disrupted. Although the Communists appear to be planning further strikes in the utilities, the authorities probably can maintain services at a reduced rate of effectiveness.

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25 May 67

6

Peking, meanwhile, is continuing to show support for the leftists in Hong Kong. Yesterday, new demonstrations were staged outside the British Embassy in Peking and two British diplomats were manhandled by Red Guards as they departed Shanghai for Peking. These new moves followed publication by New China News Agency of exaggerated charges that over 200 Chinese had been killed or seriously wounded by Hong Kong police on 22 May. Many participants in these demonstrations were observed simulating injuries for Communist news photographers; no fatalities are known to have resulted from police action.

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Indonesia: Acting President Suharto is moving to combat government corruption, now the major issue being pressed by crusading elements of the "new order."

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A new command to suppress smuggling was announced on 17 May. Early this month General Sarwo Edhie, an outspoken critic of corruption, was assigned as army commander in North Sumatra, the nation's richest export district.

Suharto recognizes that extensive smuggling retards the government's stabilization effort and that widespread corruption reduces public confidence in the government and particularly in the military. Concern over press reports in potential investing countries may also have had some influence with him.

Suharto's ability to press his reforms will be limited by his desire to maintain military unity. He will face strong opposition from highly placed officers who have long been involved to some extent in corrupt practices. At least some visible cleanup seems likely, however. Suharto may use any evidence uncovered to reassign some officers or to press them to curtail their illegal activities.

25X1

25 May 67

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