Approved For Release 1999/09/08: CIA-RDP82-00457R002200280007 CLASSIFICATION SHOPE CENTRAL INTELLIGENCE AGENCY REPORT NO. 25X1A2g INFORMATION REPORT CD NO. 28 December 1948 DATE DISTR. COUNTRY Indonesia SUBJECT The Political Situation in Indonesia 25X1A2g NO. OF PAGES 1 25X1A6a NO. OF ENCLS. PLACE **ACQUIRED** SUPPLEMENT TO DATE OF IN REPORT NO. 25X1X6 Most of the Indonesian Republic officials in Batavia have been unconditionally released. 2. The Republicans are grateful for American action in the Security Council, but to effectively prevent the Dutch from developing again a tight monopolistic system in this area, it will be necessary for the guerrillas of the Republic to show that they mean business. Guerrilla activities will begin in about ten days, or perhaps sooner. Such activities could be kept up for two or three years, particularly would this be possible because of the offer of guns and ammunition from India. 3. Scekarno, Hatta and Sjahrir are believed to have been brought to Batavia and to be held in custody there. The Dutch are treating all Republican officials with great courtesy while they are detained. 4. The next political move on the part of the Dutch will be to establish a negara of Central Java, which will become a part of the interim government almost immediately. The Dutch will doubtlessly make overtures to the Republican leaders to head this negara on Dutch terms. This effort will fail because on the morning of December 19 at 9 o'clock, the cabinet of the Republic was in session in Jogjakarta and it was decided in the event of Dutch military action that the Republic would set up a government in Sumatra. This has already been carried out by Sjafroeddin (Prawiranegara), who is now in Sumatra. 5. The leaders of the Republic were not worried about being captured because this made them stronger politically, and in addition it was advantageous to have the three most important leaders together. Casualties are believed to be running high on both sides. Document No 1100 1 - 20 NO CHANGE in Class DECAM Accident of the United Next Review Date: 2008 SASMINGON COLOR SHIPF DISTA 25X1A9a SSIFICATION X NAVY TRIBUTION STATE FORE PUBLIC ARMY AIR DOPP FBR DISTRIBUTION ADSO DOPO FBS FBZ COMO DADSO 69900457R0 BLC **EE 1999** para VEN For R COPS 25X1A9a 25X1A8a