

INFORMATION REPORT CD NO.

CONFIDENTIAL

FLY 729

COUNTRY Indonesia

DATE DISTR

SUBJECT Economic Role of Rice Factories in West Java

NO. OF PAGES 1

25X1A

RETURN TO CIA LIBRARY

NO. OF ENCL'S. (LISTED BELOW)

SUPPLEMENT TO REPORT NO.

25X1X

1. Rice factories are an important element of the economic activity around Krawang and in the Sukabumi-Tjiandjur area. Nearly all of them are Chinese-owned. In marketing their product, the Chinese work closely with relatives and other merchants in Djakarta Downtown. Thus, they control the price of rice on the open market, thereby exercising considerable influence on the economic life of Indonesia.
2. [redacted] the Chinese rice mill owners allegedly have been in contact with Tjetje Subrata's Tjitarum Brigade and with elements of the Tentara Islam Indonesia (TII). These bands supposedly receive rice and other supplies from the Chinese, most of whom support MAO Tse-tung. They hope to keep the rice-growing areas in chaos in order to increase the price of rice and provide a more fertile field for the growth of Communism.
3. The Chinese mill owners are particularly arrogant toward Indonesian Government officials in the Krawang district. They refuse to obey government orders against hoarding, subversive activity, and black-market transactions.

25X1C

This document is hereby regraded to CONFIDENTIAL in accordance with the letter of 16 October 1978 from the Director of Central Intelligence to the Archivist of the United States.  
Next Review Date: 2008

Document No. 05  
 No Change in Class.   
 Declassified   
 Date: 07/07/78 By: 029

CONFIDENTIAL

STATE	<input checked="" type="checkbox"/>	NAVY	<input checked="" type="checkbox"/>	NSRB															
ARMY	<input checked="" type="checkbox"/>	AIR		FBI															