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CLASSIFICATION CONTINUENT AT CONTROL - 11.5. OFFICIALS OF CENTRAL INTELLIGENCE AGENCY

REPORT NO.

INFORMATION REPORT

CD NO.

COUNTRY Indonesia

Indonesian Action Against Smuggling

SUBJECT 1. 2. Chinese Population on the Perak Coast NO. OF PAGES

DATE DISTR.

6 Nov. 1951

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PLACE **ACQUIRE** DATE OF

INFO.

NO. OF ENCLS.

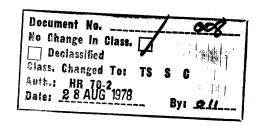
SUPPLEMENT TO REPORT NO.

- The Indonesian Navy is planning to set up a radio communication system in the Riouw Archipelago and on Natura Island. Its purpose is to check smuggling between French Indochina, the Philippines, and China into Sumatra and Java. The Navy believes that arms are being smuggled from Indochina to the Riouw Archipelago onward to Sumatra, Java, and the western coast of Malaya.
- An Indonesian mavel official stated that Begansiapiapi is the center of Communist penetration in Sumatra. This official, formerly captain of a patrol boat sailing between Sumatra and Malaya, also told of his recent encounter with a Chinese junk. The Indonesian patrol boat challenged the junk, which opened fire. The capture of the junk revealed that the Chinese youthsaboard were armed and had with them R 4 million and a 25X1X , the Chinese considerable amount of opium. Communists send young Chinese to Indonesia supplied with opium, which they sell to obtain money for operational purposes.
- The Indonesian Government has temporarily halted rubber smuggling from Indonesia to Malaya by the imposition of heavy taxes on the smugglers.
- There is some smuggling of goods from Penang and occasional acts of piracy along the Perak coast of Malaya. The Chinese populations of Port Weld and other towns along this coast are pro-Kuomintang.

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