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File

NSC BRIEFING

19 November 1953

INDONESIA

The Indonesian government is continuing to cooperate 25X1X

with the Communists.

25X1X

25X6

The chairman of the National Party, the party

which dominates the coalition cabinet, has confirmed to the press that some time ago he secretly ordered local party branches to cooperate closely with the Communists. He stated that since the Communists were supporting the government in parliament, such instructions were "completely logical."

The nine-member Central Election Committee, appointed 5 November, which will organize and oversee Indonesia's first national elections, tentatively scheduled for early 1955, excludes the two principal anti-Communist parties -- the Masjumi and the Socialists. But it includes a Communist-controlled agrarian organization which can be expected to protect Commu-

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parties, one of which is generally regarded as the largest party in Indonesia, is considered the first step toward undermining the moderate opposition's chances at the polls and rigging the elections.

The pro-Communist Minister of Defense has completed a reorganization of his ministry which considerably decreases the influence of the chiefs of staff of the three military services. The post of Chief of Staff of the Armed Forces, occupied by an able and strongly anti-Communist officer, apparently remains on paper but no duties or authority are attached to it. The reorganization apparently has a dual purpose; to reduce the influence of anti-Communist elements in the armed forces and to decrease the possibility of a coup by those elements. The Labor Ministry has been virtually taken over by leaders of a Communist-controlled labor federation, and the Agricultural Minister has shown a marked favoritism for Communist agrarian organizations.

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Reports continue that anti-Communist army leaders are planning a coup to take place sometime in the next six months. The former army chief of staff, who is a staunch anti-Communist, reportedly is negotiating toward this end with Natsir, the chairman of the Masjumi. Meanwhile, efforts to form a strong political opposition in parliament do not appear to have progressed.

On 10 November, President Sukarno accused both fanatical Moslems and extreme Communists of awaiting the outbreak of a third world war to seize power. This was the president's first critical reference to Communism since the Ali cabinet assumed office. But it will be noted that he referred only to "extreme" Communists. There is no indication, in any case, that the president's views will affect the government's policy toward the Communists nor even that he himself is acutely concerned over the political situation. Both Sukarno and National Party leaders apparently feel that they can maneuver the

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the Communists in and out of the government as suits their purpose.

The security situation continues to deteriorate. Government efforts to restore order in the three primary dissident areas have not been effective. These areas are North Sumatra where the Atjehnese are fighting for an autonomous state; West and Central Java where Darul Islam terrorism, aimed at establishing a theocratic state, has increased; and the south Celebes where the dissidents have established a tie with the Darul Islam.

The cabinet, like its predecessors, continues to press the claim to Netherlands New Guinea, known as "Irian" in Indonesia. The various Indonesian governments have used the issue periodically to inflame the population against the Dutch and have been irritated at American failure to support their contentions. Moreover, this area remains as an exploitable target of the Communists who point to it as an example of

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continuing Western colonialism.

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The Foreign Minister recently stated that if the Dutch continue to regard Irian as colonial territory, Indonesia will be forced to use means "other than negotiation" in order to assume its rightful control over the area.

Previous governments have discussed opening diplomatic relations with Moscow, but postponed any action. The Ali government now plans to open an embassy in Moscow next month.

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NSC BRIEFING

19 November 1953

INDONESIA

I. Indonesian government continues its cooperation with the Communists. 25X1X

A.



B. Chairman of National Party, which dominates government coalition, confirmed he ordered party's branches to cooperate closely with Communists.

1. Said such instructions were "completely logical," since Communists were supporting the government.

II. Commission appointed to supervise first national elections, scheduled for 1955, excluded representatives of Masjumi and Socialists, two principal anti-Communist parties.

A. But Communist-controlled agrarian organization included to protect Communist interests.

B. Move regarded as first step toward undermining opposition's chances at polls and rig elections.

III. Pro-Communist Minister of Defense has completed reorganization of his ministry.

A. Influence of chiefs of staff considerably decreased.

B. Post of chief of staff of armed forces remains but no duties or authority attached to it.

1. Post presently held by able, anti-Communist officer.

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- C. Labor ministry virtually taken over by a Communist-controlled Labor Federation.
 - D. Agricultural minister has shown marked favoritism for Communist agrarian organizations.
- IV. Reports continue that anti-Communist army leaders are planning a coup, to take place within next six months.
- A. Former army chief of staff, staunch anti-Communist, reportedly negotiating with Natsir, chairman of Masjumi.
 - B. Meanwhile, efforts to form strong political opposition in parliament apparently making no headway.
- V. On 10 November, President Sukarno accused both Moslem fanatics and extreme Communists of awaiting a third world war to seize power.
- A. President's first critical reference to Communists since Ali government took office.
 - B. But it will be noted, President referred only to "extreme" Communists.
 - C. In any case, no indication that Sukarno's views will affect government's policy on Communists nor that he is concerned over political situation.
 - D. Both President and National Party leaders apparently feel they can maneuver Communists in and out of government as suits their purpose.
- VI. Security situation continues to deteriorate; government efforts to restore order not effective.
- A. Atjehnese still fighting in North Sumatra.
 - B. Darul Islam terrorism in west and central Java has increased.
 - C. Dissidents in south Celebes have established tie with Darul Islam.

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VII. This cabinet, like predecessors, continues to press claim for Netherlands New Guinea, known to Indonesians as Irian.

- A. Issue used primarily against Dutch but Australian support of Dutch position sometimes cited as unfriendly.
- B. Sukarno has often said that if US wants to demonstrate its friendship it will support Indonesia's claim.
- C. Foreign Minister stated that if Netherlands does not yield, Indonesia will be forced to use means "other than negotiations" to assume rightful control.

VIII. Ali government now plans to open embassy -- Moscow -- next month.

- A. Previous governments have made moves toward this but have always postponed action.

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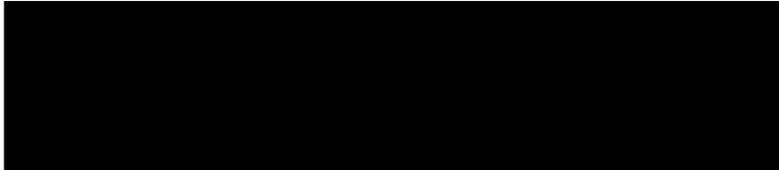
NSC BRIEFING

November 1955

INDONESIA

25X1X

I.



A. This is the essence of his government's cooperation with Communism.

B. Chairman of National Party, which dominates government coalition, confirmed he ordered party's branches to cooperate closely with Communists.

1. Said such instructions were "completely logical," since Communists were supporting the government.

II. Representatives of Masjumi and Socialists, two principal anti-Communist parties, excluded from commission appointed to supervise first national elections, scheduled for 1955.

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- A. But Communist agrarian organization included to represent Communist Party interests.
 - B. Move regarded as first step toward undermining opposition's chances at polls and toward rigged elections.
 - C. Generally believed that Masjumi could win an election, if held soon and was fair.
- III. Pro-Communist Minister of Defense has completed reorganization of his ministry.
- A. Influence of moderate chiefs of staff considerably decreased.
 - B. Post of chief of staff of armed forces remains, but no duties or authority attached to it.
 - 1. Post presently held by able, anti-Communist officer.

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C. Reorganization apparently had dual purpose:

1. To reduce influence of anti-Communist elements in armed forces.
2. To decrease possibility of a coup by those elements.

D. Defense Minister has reportedly appointed four Communists to advise him on management of these service groups.

IV. Labor ministry virtually taken over by a Communist-controlled Labor Federation and agricultural minister has shown marked favoritism for Communist agrarian organizations.

A. Significant personnel changes in Ministries of Economic Affairs and Finance.

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1. On the surface, these appear as normal turnover accompanying change of administration.
2. Effect, however, is replacement of persons friendly to West by persons eager or willing to support policies acceptable to Communists.

V. Reports continue that anti-Communist army leaders are planning a coup, to take place within next six months.

A. Former army chief of staff, staunch anti-Communist, reportedly negotiating with Natsir, chairman of Masjumi.

B. Meanwhile, efforts to form strong political opposition in parliament apparently making no headway.

VI. On 10 November, President Sukarno accused both Moslem fanatics and extreme Communists of awaiting a third world war to seize power.

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- A. President's first critical reference to Communists since Ali government took office.
 - B. But President referred only to "extreme" Communists.
 - C. In any case, no indication that Sukarno's views will affect government's policy on Communists nor that he is concerned over political situation.
 - D. Both President and National Party leaders apparently feel they can maneuver Communists in and out of government as suits their purpose.
- VII. Security situation continues to deteriorate; government efforts to restore order not effective.
- A. Atjehnese still fighting in North Sumatra.

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- B. Darul Islam terrorism in west and central Java has increased.
- C. Dissidents in south Celebes have established tie with Darul Islam.

VIII. This cabinet, like predecessors, continues to press claim for Netherlands New Guinea, known to Indonesians as Irian.

- A. Issue used primarily against Dutch but Indonesians irritated at American failure to support their position.

25X6 

- C. Area is exploitable target for Communists, who cite it as example of continuing Western colonialism.

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- D. Foreign Minister stated that if Netherlands does not yield, Indonesia will be forced to use means "other than negotiations" to assume rightful control.
- IX. Ali government now plans to open embassy in Moscow next month.
 - A. Previous governments have made moves toward this but have always postponed action.
- X. Indonesian trade mission arrived in Peiping few days ago.
 - A. Its chief told Hong Kong press he seeks "ties for stimulating and intensifying economic and commercial relations between the two countries."
 - B. On 11 November, however, Prime Minister said his government had not decided to send rubber to China.

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XI. Lowered world prices for rubber and for tin, two of Indonesia's major exports, figure heavily in propaganda of Communists.

A. Many Indonesians convinced U.S. had deliberately forced down price of rubber.

B. Communists have seized on current negotiations for American tin purchase, under 1952 contract, to charge U.S. will buy Indonesian tin only to extent it can extract political concessions.

XII. Prospect is for continuing Communist gains behind the facade of an ostensibly non-Communist government.

A. Communists can avoid bold and risky moves.

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1. Their happy relationship with government puts them in excellent position to exploit deterioration in security and mounting economic problems.
- B. Infiltration of the ministries and armed forces at all levels will quietly proceed at an accelerating pace.
- C. The grave danger is that the Communists may attain enough power to seize control before local opposition or the outside world realizes what is happening.

XIII. Between fall of cabinet on 2 June and formation of present cabinet, five attempts were made to form a workable coalition.

A. First was a joint Masjumi-National Party effort to reconstruct the former coalition.

B. Next two were National Party attempts.

1. First of these would have excluded Masjumi and Socialists and depended on Communist support.

a. But at that time, Sukarno refused to approve.

2. Next attempt was to get Masjumi in but on terms that latter obviously would not accept.

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- C. Fourth attempt was by Masjumi. Concessions offered to gain National Party adherence, but latter refused.
- D. Final attempt was by minor party representative.
 - 1. He lumped a number of small parties with National Party, excluding Masjumi and Socialists. Communist Party also excluded but three small Communist front groups included.
 - 2. Sukarno then surprisingly accepted essentially what he had refused before.
 - a. No satisfactory explanation for switch in Sukarno's position.

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