

Box 68

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No Objection To Declassification in Full 2010/08/30 : HIA-R

JONES HOWARD P-2E-62-2

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1-29-65 Report on "Indonesia;
Political Developments in
1964 and Problem Areas for
1965"

29 pages

p. 12, 1 paragraph deleted;

p. 16, 2 paragraphs deleted

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this could change to the extent that succession of Subandrio to the highest office might seem "logical."

There were also other shifts in the internal power structure during the year. As mentioned earlier, the PKI undoubtedly advanced its position somewhat, and there are indications that two new PKI or pro-Communist cabinet appointees (the PKI's Njoto and Partindo leader Oei Tjoe Tat) are participating to some extent in basic policy decisions as ministers attached to the Presidium.

Conversely, military influence in the power structure seemed to decline to a degree almost commensurate with Communist gains. The Army leadership continued to display serious divisions over how to cope with the present leftward drift. Defense Minister Nasution was clearly outside inner policy-making circles, but he maintained enough military support to prevent the President from excluding him from the cabinet in a reshuffle planned for September. On the other hand, there were no indications that Nasution would or perhaps could lend a firm hand to efforts to prevent further erosion of the non-Communist position within Indonesia.

On the civilian side local anti-PKI leadership was also disconcerted. No Objection To Declassification in Full 2010/08/30 : HIA-R JONES HOWARD P-2E-62-217-5

"man of the year." He was widely believed to be behind-the-scenes leader of an anti-PKI coalition (the BPS), and in November he was rumored to have obtained Sukarno's promise of advancement to the long vacant slot of Vice President. As the year ended, however, he had clearly been hurt by demise of the "Sukarnoism" movement and he received another body blow in early 1965 by the ban on Murba. He has been under heavy, direct attack by the PKI, and at present Saleh's position is questionable. It seems almost certain that he will lose at least some of his power in the next realignment of the Cabinet.

Trade Minister Adam Malik was another of the major political casualties of 1964. This refreshingly active anti-PKI leader displayed unusual courage in rallying anti-PKI elements around the "Sukarnoism" banner. Without Malik, "Sukarnoism" would never have attracted the support it received. However, Malik's inability to enlist and hold loyal support, and his tendency to offend others by centering on his own importance have proved serious flaws in his leadership. The abrupt end of the movement and the subsequent ban on Murba Party activities cast a dark shadow over Malik's future. If he remains in the cabinet--and this in the long run is not certain--he may be stripped of any real responsibility.

At year's end the following facts bearing on the power structure seemed clear:

(1) It was still not apparent whether or under what circumstances the army would act to stop Indonesia's trend toward the left; it accepted

prospects for "getting the dispute out of the jungle and to the conference table" where it could be negotiated with help from the Philippines or Thailand.

Attorney General Kennedy's efforts succeeded in temporarily achieving a ceasefire and bringing the Indonesian, Malaysian and Philippine Foreign Ministers together in Bangkok but the improvement proved transitory. Two successive tripartite foreign ministerial meetings succeeded only in further poisoning the atmosphere, hardening contrasting positions and expending diplomatic capital. In these discussions, however, several developments did occur. Indonesia was given several opportunities to move toward a settlement in graceful fashion but the GOI took none of them. Agreed positions accepted ad referendum by Subandrio lapsed because the promised Indonesian replies were never forthcoming.

After repeated non-fulfillment of promises by Subandrio, Thai Foreign Minister Thanat Khuman largely ceased his initiatives to bring the two sides together, and by mid-year Thailand, which had been the most active neutral Asian mediator and most acceptable to both sides, washed its hands of the problem pending persuasive evidence that Indonesia really wanted to negotiate. Only the Philippines, which hoped to make domestic capital out of solving the

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Also revealed in these discussions, however, was a somewhat self-righteous and rigid Malaysian negotiating posture which demanded complete Indonesian performance on guerrilla withdrawals, etc., before political differences could be fully discussed. Between Indonesian perfidy and Malaysian rigidity there proved to be little room for maneuver.

Largely at Philippine urging, a summit conference was finally convened in Tokyo in June, but without any personal rapport between the Tunku and Sukarno this was foredoomed to failure. Macapagal was hard put to prevent the conference's complete collapse when the promised Indonesian commencement of withdrawals in Borneo resulted only in a single token gesture of withdrawal. Sukarno did, however, make a dramatic commitment at Tokyo to agree that he would accept any proposed solution which an Afro-Asian conciliation commission (AACC) should propose. The Tunku accepted the AACC idea in principle, but said that Indonesia must cease her military hostilities and incursions first before this diplomatic step could be taken. As proposed publicly by Macapagal, the AACC would consist of four nations, one each nominated by Indonesia, the Philippines and Malaysia, and the fourth selected by the first three members.

The Tokyo summit ended formal negotiating efforts for 1964. The Philippines made several attempts to get the AACC concept off the ground or at least get the foreign ministers or their representatives together again to discuss how to implement the AACC proposal, but no one else was listening. Three unsuccessful conferences in succession had largely exhausted that potential for the time being.