

Transitioning into CIA: The Strategic Services Unit in Indonesia

William J. Rust

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Introduction.

The end of World War II in Europe and the Pacific in 1945 refocused the missions of virtually all US entities then posted abroad. Purely military units could begin the process of returning home, but US intelligence around the world, in particular Office of Strategic Services (OSS) units, entered a peculiarly ambiguous zone in which the fog of war gave way to a kind of fog of peace. OSS members suddenly found themselves unclear about their post-war futures: Would they go home or not? Did they have futures in intelligence? What work were they obliged to do while riding through the uncertainty? The answers were debated and gradually answered in Washington. OSS would be abolished and an interim organization housed in the War Department, the Strategic Services Unit (SSU), would hold some OSS operational equities and capabilities, and carry on the foreign intelligence and counterintelligence functions of the OSS. Eventually the centralization of civilian, national-level (strategic) intelligence that OSS chief William Donovan had wanted appeared with the creation of the Central Intelligence Agency (CIA) in 1947.^a

While most intelligence histories of this period focus on high-level institution-building, the following account looks in detail at the challenges personnel, mostly of the OSS, faced in the Netherlands East Indies (NEI), from the time of Japan's surrender in August 1945 to the formal dissolution in October 1946 of the SSU, the organization into which most had been absorbed. The short-lived entity's field stations in the colonial world—NEI, Vietnam, India, and Egypt, among others, took on the unfamiliar: POW repatriation; dealing with suspicious, sometimes hostile, colonial hosts; and connecting with and assessing and reporting on revolutionary leaders and their movements. In short, SSUs continued the business of intelligence in new environments, but in ways that very much looked like the work of intelligence in the field today.^b —Editor



Frederick E. Crockett arrived at the port of Batavia on 15 September 1945—one month after Japan's surrender ended World War II. A major in the Office of Strategic Services

a. A brief take on this history by former CIA historian Michael Warner appeared in *Studies in Intelligence* 39, No. 5 (1996).

b. Circumstances in Europe are described in David Alvarez and Eduard Mark, *Spying Through a Glass Darkly* (University Press of Kansas, 2016).

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(OSS), the wartime intelligence and covert action agency and CIA predecessor, Crockett had traveled to Java aboard HMS *Cumberland*. The British heavy cruiser carried a group of Allied officials, whose primary concerns were accepting the surrender of Japanese troops and repatriating military prisoners of war and civilian internees in what was then the Netherlands East Indies.

Crockett's mission, codenamed ICEBERG, had two principal objectives. The first was immediate and overt: helping rescue US POWs from Japanese camps. This humanitarian assignment provided cover for a second, longer-term objective: establishing a field station for espionage in what would become the nation of Indonesia.¹

Crockett's ICEBERG mission reflected a fundamental conviction of Maj. Gen. William J. "Wild Bill" Donovan, director of the OSS: the United States needed a postwar "central intelligence agency"—that is, a secret foreign intelligence service that preserved OSS's capacity to report "information as seen through American eyes" and "to analyze and evaluate the material" for policymakers.² Unlike other major powers, the United States did not have a prewar espionage organization equivalent to the United Kingdom's Secret Intelligence Service (SIS), MI6.

Donovan's intelligence career ended on 1 October 1945 with the official dissolution of the OSS, but the seeds of his proposed postwar secret service took root in SSU stations in Southeast Asia and elsewhere. In Batavia, known today as Jakarta, the intelligence collected by the ICEBERG team provided policymakers



British accepting surrender of Japanese forces in Singapore on 12 September 1945. Vice Adm. Lord Louis Mountbatten (center in white uniform) led the Allied party. Photo: C. Trusler, Imperial War Museum (in public domain on www.ww2db.com)

with information on the initial phases of the Indonesian revolution, a brutal four-year struggle to break free of Dutch colonial rule of the Netherlands East Indies (NEI).

Playing a small role in a larger drama dominated by Indonesians, the British, and the Dutch, US intelligence officers sympathized with Indonesian nationalists, while antagonizing European allies, US Consul General Walter A. Foote. The story that follows is both a case study of the first US intelligence station in Indonesia, 1945–1946, and a window on the institutional transition of a temporary wartime intelligence organization into a permanent peacetime agency.

Extreme Discretion

During the second week of August 1945, when it was clear that Japan's surrender was imminent, Col. John G. Coughlin established a small

planning committee at his headquarters in Kandy, Ceylon. Commander of Detachment 404, which was responsible for OSS operations in the India-Burma Theater (IBT), Coughlin appointed four senior intelligence and research officers to the committee: Lt. Cmdr. Edmond L. Taylor (chair), Cora Du Bois, W. Lloyd George, and S. Dillon Ripley II. Their prewar careers—Taylor, journalism; Du Bois, anthropology; George, journalism; and Ripley, ornithology—reflected Donovan's characterization of OSS personnel as "glorious amateurs."

With the liberation of Southeast Asia at hand, the committee members selected Singapore, Saigon, and Batavia as locations for new OSS field stations and decided to increase the size of the existing mission in Bangkok. In each capital, an OSS team would overtly locate POWs, gather information about Japanese war crimes, and assess the condition of prewar US property, while simultaneously pursuing the more

important covert task of collecting and reporting military, political, and economic intelligence.³

Lt. Gen. Raymond A. “Speck” Wheeler, the US theater commander, approved the OSS plan. Unlike many regular army officers, he supported the espionage, paramilitary, and psychological warfare activities of the OSS. In an “eyes alone” message to Donovan, Coughlin wrote that Wheeler was “most friendly” and appeared to have “a real interest in our operations.” The general’s opinion of Detachment 404 had been informed by his own experience managing the logistics of OSS operations in Burma and by the views of his daughter and only child, Margaret, who worked in the New York office of OSS for two years before becoming Coughlin’s administrative assistant. “She is an ardent supporter of OSS and will be a help to the organization,” wrote Coughlin. “She has great influence over her father, who has great confidence in her.”⁴

The OSS plan to expand its regional activities also required the authorization of Vice Adm. Lord Louis Mountbatten, the supreme allied commander of the predominantly British Southeast Asia Command (SEAC). His organizational mechanism for overseeing allied intelligence operations was a coordinating committee called “P” Division, led by Capt. G. S. Garnons-Williams of the Royal Navy. According to Samuel Halpern, a future career CIA officer who served in Detachment 404, “P” Division “was simply a means for the British to keep an eye on what the hell the Americans were doing.”⁵

The OSS, however, resisted aspects of British oversight. In the

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application to “P” Division seeking approval for ICEBERG, Detachment 404 described the operation’s overt tasks but made no reference to its covert objective. The collection of political and economic intelligence, Crockett wrote in his top-secret operational plan for the OSS, would “have to be conducted with extreme discretion, as it is largely of a Control nature.” In other words, much of the OSS information would not be shared with other governments.⁶

Dutch officials in Kandy were “extremely reluctant” to allow a US intelligence team in Batavia. Determined to resume their colonial administration of the NEI, the Dutch argued that the archipelago was not within the American “sphere of influence.” Moreover, they declared that OSS operatives would duplicate the work of Dutch and British intelligence organizations, which would tell the Americans everything they “needed to know.” To OSS officers, Dutch opposition to US observers appeared to be “not simply an attitude of arbitrary non-cooperation” but an attempt to control perceptions of political and economic conditions. Because SEAC had authorized American participation in all theater activities, the Dutch were obliged to approve the ICEBERG mission.⁷

The British, too, were apprehensive about an OSS presence in the NEI and its own prewar colonial territories. In his chief of mission report for the month of August 1945, Coughlin commented to Washington on SEAC’s “great reluctance” to assist OSS operations. A 37-year-old

graduate of West Point, where he had been a heavyweight boxer and a pitcher for the baseball team, Coughlin helped establish the first OSS field base in Burma and served as the OSS chief in China before his assignment in Kandy. In a cable to Donovan dated 2 September 1945, he wrote that British intelligence officials had been surprised and amazed by his plan to station 85 OSS personnel in Singapore. “What would [you] need that many people for?” they asked. Coughlin did not record his reply, but he envisioned Singapore as a regional headquarters for US intelligence operations in Malaya and Indonesia. Faced with British opposition and the inevitable postwar reduction of American military personnel in Southeast Asia, he decreased the recommended size of the OSS mission in Singapore to no more than 20.⁸

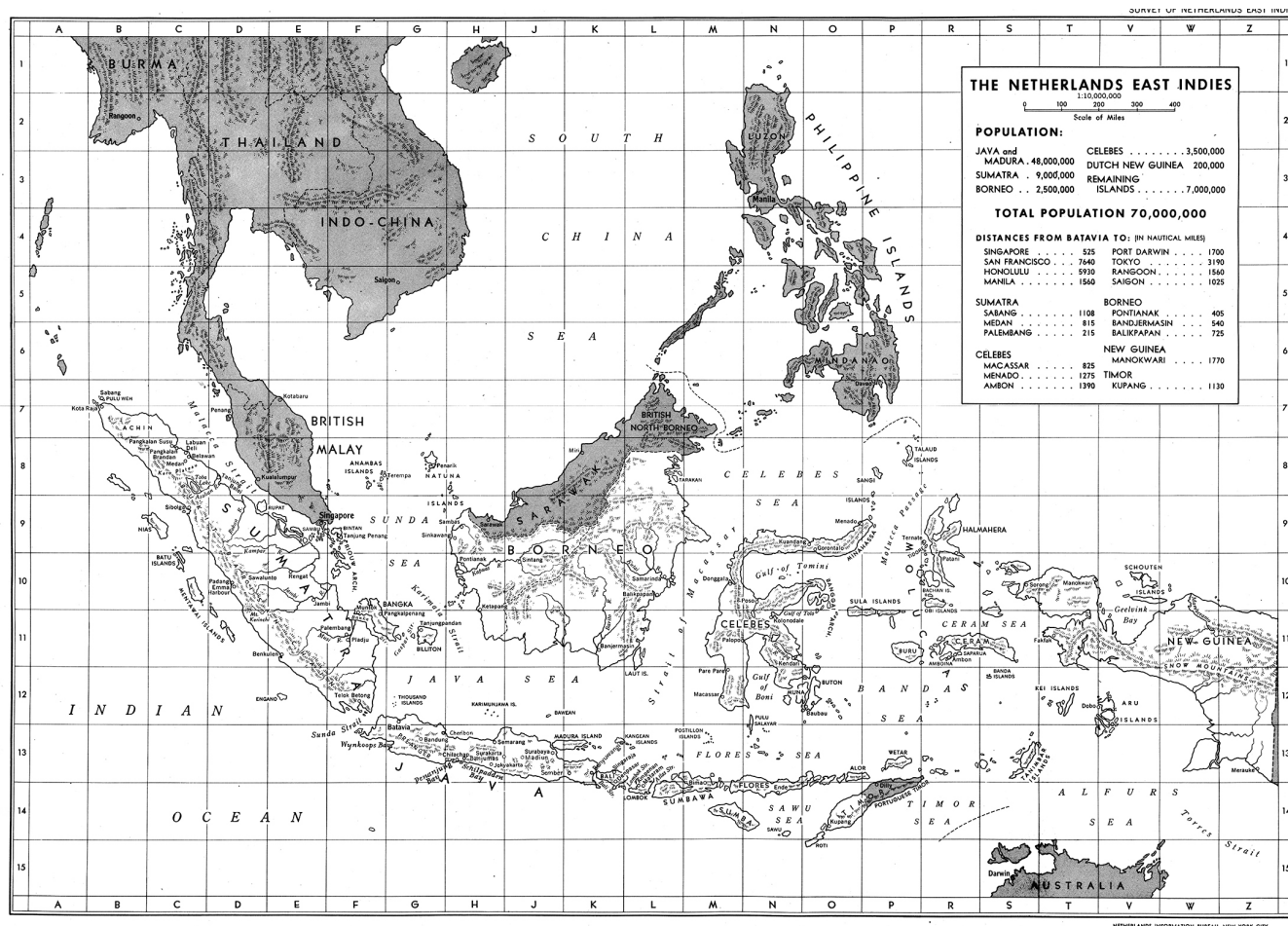
Coughlin proposed to Donovan that, once operations for recovering POWs were over, four-person teams—each with specialists in espionage, counterintelligence, and research and analysis—could form the core of US intelligence stations in Southeast Asian capitals. “[The] smaller we keep our missions the less difficulty we will have at carrying out our work,” he wrote. “We will attract much less attention.” The intelligence collected “while not as voluminous, should be of a much higher grade.” A new postwar intelligence agency, Coughlin suggested, “should be much smaller [than the OSS] and consist of highly specialized and well trained personnel. The bulk of our personnel would not qualify, in my

opinion, but an excellent nucleus is present.”⁹

Despite his doubts about the professional competence of much of his command, Coughlin was enthusiastic about the OSS team selected for Batavia. He wrote to Donovan that ICEBERG’s commanding officer, Major Crockett, was “very able,” eager, and trained in the techniques of espionage. “Freddy” Crockett, then 38, fit the OSS stereotype of an affluent, well-connected adventurer. The son of a Boston physician, he had left Harvard after his sophomore year to join naval explorer Richard E. Byrd’s mission to the Antarctic, 1928–1930.

Crockett’s prewar professional experience included prospecting for gold and leading a scientific expedition in the South Pacific. General Donovan initially considered him an ideal candidate to train and lead behind-the-lines guerrilla groups engaged in sabotage operations. OSS evaluators did not share this assessment, giving Crockett only “average” scores in demolitions, weapons, and physical stamina. He did, however, score “excellent” and “superior” marks in espionage subjects—for example, social relations, military intelligence, and reporting.¹⁰

Coughlin also thought that OSS civilian Jane Foster would be a “very valuable” member of the ICEBERG team. The daughter of a San Francisco physician and a graduate of Mills College, Foster was a 32-year-old artist who worked in Morale Operations, the OSS branch responsible for deceiving the enemy with black propaganda. She was temporarily transferred to the Secret Intelligence Branch for Operation ICEBERG because she had lived in the NEI before the war, acquiring knowledge of the Indonesians, their language, and their customs that OSS recruiters had “found almost impossible to duplicate.” A fact unknown to those



Undated map found in OSS files. Produced by Netherlands Information Bureau in New York City before 1945.

recruiters was that Foster had joined the Communist Party of the United States in 1938. In her autobiography, she wrote that she left the party “of my own free will, some years later.”¹¹

Heavy Commitments

While the OSS planned for expanded intelligence activities in Southeast Asia, Mountbatten had the unenviable task of coping with a recent 50-percent increase in the land area of his command. The new SEAC boundaries encompassed the NEI and southern Indochina. For most of the war, Gen. Douglas MacArthur, supreme commander of allied forces in the Southwest Pacific Area, had been responsible for all of the NEI except Sumatra. The US Joint Chiefs of Staff, eager for MacArthur to concentrate on the final push to the Japanese home islands, had prevailed upon their British counterparts to have Mountbatten assume expanded tactical responsibilities in the South Pacific “as soon as practicable after the 15th August, 1945.”¹²

With the sudden end of the war, Mountbatten had a new peacetime mission in the NEI: disarm the Japanese military, repatriate allied prisoners of war and internees, and “prepare for the eventual handing over of this country to the Dutch civil authorities.”¹³ SEAC was wholly unprepared for this mission. “Neither men nor ships were immediately available,” wrote R. B. Smith, a British military observer in Java. “There were heavy commitments in Malaya, Thailand and Indo-China, and there were thousands of released civilian internees and prisoners of war to be shipped back to England or Australia,

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and thousands of tons of urgently needed stores to be shipped into these territories.”¹⁴

Limited manpower and shipping were not the only problems facing SEAC. Mountbatten lacked intelligence about the political and military environment in which his occupation and recovery forces would operate. The fundamental reason for this blind spot was that much of the NEI was that neither Java nor Sumatra was a strategic priority for the United States. Without an immediate need for military intelligence, Allied commanders diverted resources—for example, submarines to deliver agents—to other areas. Intelligence operations in Java and Sumatra were further hampered by a shortage of agents who could speak Malay (the lingua franca of the Indonesians), and the agents who were dispatched to the archipelago rarely returned. Such failures deprived the allies of insights into the growth of nationalism and the strength of Indonesian forces trained by the Japanese.

When Hubertus van Mook, head of the returning Dutch colonial government, arrived at SEAC headquarters in Kandy on 1 September 1945, he gave Mountbatten “no reason to suppose that the reoccupation of Java would present any operational problem, beyond that of rounding up the Japanese.”¹⁵ Despite Dutch optimism that Indonesians would welcome back colonial officials who had abandoned them in 1942, there were concerns within SEAC about

its planned occupation. Particularly troubling were reports that surrendering Japanese troops had turned over their weapons to Indonesians. In early September, Coughlin reported to OSS headquarters: “The British fear a definite uprising in Java due to the Japanese disposal of arms to the Javanese. Incredulous of Van Mook’s assertions that the Javanese are well disposed to the Dutch, the British at SEAC anticipate that the situation in Java will be the most critical in Southeast Asia.”¹⁶

Hard Feelings

The ICEBERG plan called for a “Team A” in Batavia that included espionage, counterintelligence, and research and analysis officers, as well as a radio operator and a cryptographer. A “Team B” in Singapore, which had been the headquarters for Japanese military administration of Sumatra, would eventually reinforce the station in Batavia. When Crockett arrived in Java on 15 September, he was accompanied by two OSS subordinates: Lieutenant Richard F. Staples, a communications officer who would encrypt messages and operate a feeble 15-watt transmitter; and John E. Beltz, a Dutch-American US Navy specialist whose qualifications for the mission included the ability to speak colloquial Malay. The intelligence operatives were billeted in two rooms at the Hôtel des Indes, a venerable establishment in central

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Batavia that served as an Allied military headquarters.¹⁷

One of Crockett’s first meetings was with Lt. Cmdr. Thomas A. Donovan, the senior American prisoner of war in Java. He had been serving on the carrier USS Langley in February 1942, when it was attacked by Japanese aircraft and then scuttled off the coast of Java. Although suffering from malnutrition and other debilitating effects of three-and-a-half years of imprisonment, Donovan played a leading role in the repatriation of US POWs. Jane Foster, who arrived in Batavia on a nearly empty C-54 transport aircraft that returned to Singapore with the first 40 American POWs, recalled that the emaciated naval officer “was yellow from Malaria and, no matter how many K rations we gave him, it did not seem to do much good.” Without regard for his health, according to Crockett, Donovan “made a complete plan for the evacuation” of POWs and “volunteered to remain in Java until evacuation proceedings were in full swing.”¹⁸

A less inspiring aspect of the rescue mission, formally known as the Recovery of Allied Prisoners of War and Internees (RAPWI), was the anguish caused by the differing approaches of the United States and its British and Dutch allies. Crockett had been ordered to evacuate the US POWs, who numbered in the hundreds, as quickly as possible. This directive, he observed later, was “directly contrary to the policy of the British and Dutch,” who had to explain to tens of thousands of their

prisoners that an immediate release was “impracticable.” For their safety, British and Dutch prisoners had to remain in their camps. Crockett reported that expediting the release of Americans not only caused “hard feelings with the British and Dutch RAPWI” but also “a lessening of morale” among their POWs and internees.¹⁹

The Fate of HUMPY

One of ICEBERG’s objectives was to learn the fate of a wartime OSS agent: J. F. Mailuku, an Indonesian whose codename was HUMPY. Born in Ambarawa, Java, in 1917, Mailuku studied engineering in school and became an air force cadet in the colonial armed forces. Evac-

uated to Australia before the Dutch surrender to the Japanese in 1942, he traveled to the United States, where he was recruited and trained by the OSS. On 23 June 1944, he was infiltrated into Java by submarine for an operation named RIPLEY I. Temporarily detained by Japanese-sponsored paramilitary forces, he missed a planned rendezvous with the OSS and never contacted the Americans during the war. He did, however, collect military and political intelligence in Java. When the *Cumberland* arrived in Batavia, Mailuku sought out allied authorities, who introduced him to Crockett. An OSS summary of HUMPY’s intelligence activities characterized his detailed reports as “information of inestimable value.”²⁰

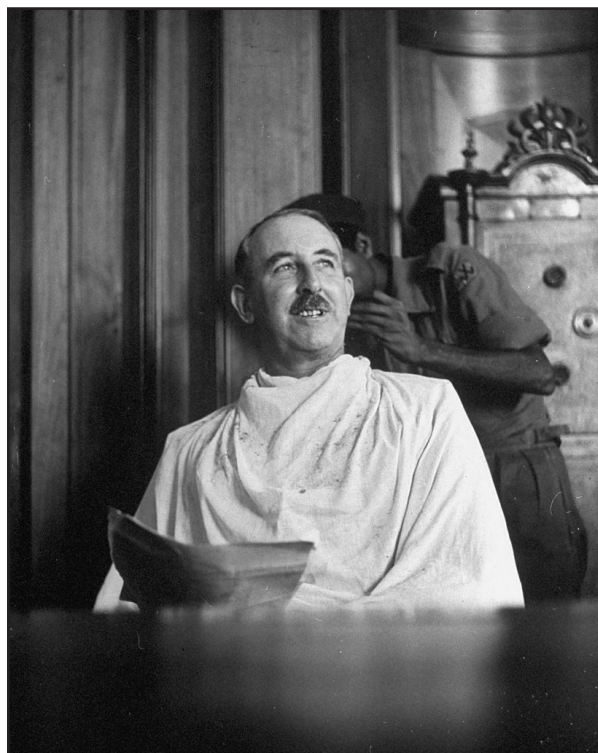
Foster interviewed Mailuku on 20 September. “Throughout the Indies, but particularly Java,” he said, “the great mass of the people are violently anti-Dutch.” This observation—which Dutch officials adamantly



The Hotel des Indes after the war and before Indonesia gained independence. It housed the headquarters of Allied military units after the war. Phototographer unknown, WikiCommons, National Museum of World Cultures.

rejected—had been confirmed by other OSS sources. Mailuku, who was “certain that the Indonesians want nothing short of independence,” commented on the increasingly tense atmosphere in Batavia. Returning Dutch officials had been repeating Queen Wilhelmina’s vague pledge of 1942 to grant Indonesia eventual independence in internal affairs and participation in a Netherlands commonwealth. Such declarations “in no way” satisfied the demands of the nationalists led by Sukarno, who had assumed the presidency of the independent Republic of Indonesia, established on 17 August 1945. The red-and-white nationalist flag, said Mailuku, was “the only flag” visible in Batavia.²¹

In Kandy, British apprehension about “possible disorders” in Java



Lt. Gen. Sir Philip Christison enjoying a haircut in NEI. Photo © John Florea/The LIFE Picture Collection/Getty Images

[HUMPY] said, “the great mass of the people are violently anti-Dutch.” This observation—which Dutch officials adamantly rejected—had been confirmed by other OSS sources.

was increasing. On 22 September Capt. Garnons-Williams of “P” Division addressed a top-secret memorandum to the three main allied intelligence organizations operating in Indonesia: Force 136, the Asian branch of Britain’s paramilitary Special Operations Executive; the Inter-Services Liaison Department, the Asian branch of SIS; and the OSS. Garnons-Williams wrote that information was “urgently required” on such topics as the leadership of anti-Dutch movements, their military strength, and the probability of armed resistance to the restoration of Dutch rule.²²

That same day Rear Adm.

W. R. Patterson, commander of the Fifth Cruiser Squadron and the ranking British officer in Java, summoned Crockett to the *Cumberland* and asked him “to discuss and pass on intelligence from [his] headquarters which was of allied concern.” It is not clear what information Crockett shared with Patterson. A comment in his summary report on ICEBERG, however, suggests that Crockett might have been less than forthcoming: “Intelligence that the Batavia mission collected was mostly of a U.S. eyes alone nature, especial-

ly where this information was of a political nature. There was almost no intelligence that we were able to gather of mutual interest which could be considered of any real value to the Dutch or British.”²³

During his meeting with Patterson, Crockett received permission to establish an independent OSS headquarters. In messages to Kandy, both Crockett and Foster had indicated that the Hôtel des Indes was not a secure location for clandestine meetings with agents and other sources of information. Following a recommendation from the admiral, Crockett moved OSS headquarters to a marble mansion that had been the residence of the governor of West Java. Within days of moving his headquarters, Crockett was irritated to learn from the British that he would have to turn over the mansion to Lt. Gen. Sir Philip Christison, the commanding officer of the Allied forces arriving in Indonesia. In his ICEBERG report, Crockett alleged that the move was part of a British attempt “to obstruct” the work of his team.²⁴

First Meeting with Sukarno

On 27 September, Foster and Kenneth K. Kennedy, a lieutenant colonel in the US Army’s Military Intelligence Service, made the initial American contact with President Sukarno, Vice President Mohammad Hatta, and the republic’s top cabinet ministers. The meeting was held at the home of Foreign Minister

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Achmad Soebardjo. Kennedy, who conducted the interview, stressed that his sole purpose was gathering information. This conversation, he said, should not be construed as approval of the republicans’ “movement.” Sukarno, whose nationalists operated Java’s communications, transportation, and other public services, replied that this “was understood by all present.”²⁴⁰

Among the topics Kennedy raised was the nationalists’ attitude toward the Japanese. Sukarno had been a collaborator during the war, a political stance the republican ministers attributed to a willingness to work with any country that pledged to support Indonesian independence. Although Japanese promises of independence turned out to be lies, Sukarno and his ministers acknowledged residual gratitude for the recent occupation: the Japanese, either inadvertently or purposefully, had helped unify the

Indonesians and provided them with military training. Now the nationalists felt “capable of resorting to force if necessary in order to preserve their independence.”²⁵

When Kennedy asked the group about their attitude toward allied occupation forces, Sukarno and his ministers pledged full cooperation with the British. The Indonesians would, however, oppose any Dutch who tried to occupy their country. The republican officials appeared to have an open mind about the possibility of an international trusteeship to oversee a transition to Indonesian independence. What would not be tolerated, they said, was interference in the country’s internal affairs or any attempt to reinstate Dutch rule. “All of those present were most cooperative in answering questions,” wrote Foster in her summary of the meeting. “Much of their long-range program was vague; the impression received

was that the Cabinet is in reality a Revolutionary Committee, concerned mainly with establishing an independent Indonesia.”²⁶

In Kandy, SEAC officials were disturbed by the allied intelligence reports from Java. “Movement against the return of the Dutch Government is far more widespread than

was formerly realized,” reported Charles W. Yost, a State Department official in Kandy who served as political adviser to General Wheeler.²⁷ Past and current plans to restore Dutch civil authority in Indonesia had envisioned the Japanese as the enemy to be defeated and disarmed. The prospect of suppressing a large-scale Indonesian revolt against the Dutch was more than SEAC had bargained for. Instead of attempting to maintain law and order throughout Indonesia to ease the restoration of Dutch civil administration, Mountbatten narrowed the mission of his forces to securing areas essential to the recovery of POWs and internees.

Senior British civilian and military officials made public statements to this effect in Singapore. John J. “Jack” Lawson, the secretary of state for war, was quoted as saying that British obligations in Southeast Asia did not include fighting “for the Netherlands against Javanese Nationalists.” General Christison told reporters of his intention to meet with Sukarno and to assure him that “the British do not plan to meddle in the internal affairs of Java.” He also said that he had insisted upon a conference between nationalist leaders and returning Dutch administrators.²⁸

These comments angered Dutch officials. Unable to land a significant military force of their own, the Dutch protested to London and issued a statement to the press denouncing efforts in “certain British circles to recognize the so-called Soekarno Government as the de facto government and to persuade us to have discussions with them.” The Dutch statement, which characterized Sukarno as “a tool and puppet of the Japanese,” included a categorical



Sukarno addressing a rally in 1946. He and his allies had declared Indonesia’s independence on 17 August 1945, well before the Dutch were ready to give up their hold on the colony. Photo © John Florea/The LIFE Picture Collection/Getty Images.

refusal to “sit at the conference table with this man who may have certain demagogic gifts but who had proved to be a mere opportunist in choosing the means to attain his end.”²⁹

OSS Liquidated

An executive order signed by President Harry S. Truman officially dissolved the OSS, effective 1 October 1945. The liquidation of the wartime agency came more quickly than General Donovan wanted or anticipated. During the war, the OSS had encroached on the turf of military intelligence agencies, the FBI, and the State Department. Donovan’s bureaucratic enemies, who included FBI director J. Edgar Hoover, opposed his proposed postwar central intelligence organization and were eager for his return to private life. “A lot of people resented his close ties with Roosevelt,” recalled Fisher Howe, a special assistant to Donovan. “And he was totally dependent on those ties.”³⁰

Truman’s executive order transferred Secret Intelligence and other OSS operational branches to the War Department, a temporary expedient to preserve their capabilities for possible future use. Renamed the Strategic Services Unit (SSU), the group was led by Donovan’s deputy for intelligence, Brigadier General John Magruder. The State Department absorbed the OSS Research and Analysis Branch, which was renamed the Interim Research Intelligence Service (IRIS). Truman wanted Secretary of State James F. Byrnes “to take the lead in developing a comprehensive and coordinated foreign intelligence program.”³¹ State Department offi-

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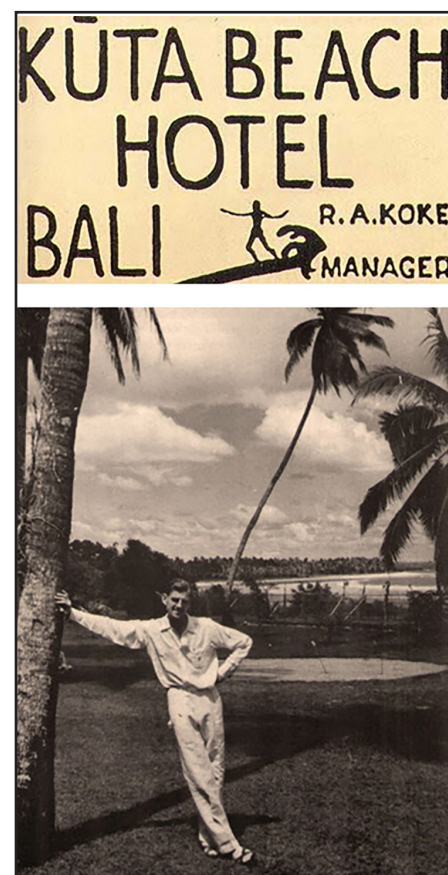
cials, however, resisted the notion of a centralized organization and wanted the department’s geographic desks to control the collection and analysis of foreign intelligence.

The organizational changes in Washington had little initial impact on the operations of intelligence stations in the field. In Batavia, the preprinted words “Office of Strategic Services” on outgoing telegrams were simply blacked out, replaced by “Strategic Services Unit.” And while Donovan may have been driven out of Washington, the field station in Batavia continued its planned growth. In addition to Crockett, Foster, Staples, and Beltz, the station’s personnel included Maj. Thomas L. Fisher II (secret intelligence), Capt. Richard H. Shaw (counterintelligence), 2nd Lt. Richard K. Stuart (research and analysis), and Pfc. Tek Y. Lin (interpreter).

Ironically, the most important SSU officer operating in Indonesia, Maj. Robert A. Koke, was not a full-time member of the ICEBERG team in October 1945. Commanding officer of the SSU mission in Singapore, Koke was one of the “most brilliant and creative planners” in the Secret Intelligence Branch, according to Edmond Taylor, Detachment 404’s intelligence officer.³² Eventually appointed chief of the Batavia field station, Koke had been conducting clandestine missions in Southeast Asia longer than almost any other American intelligence officer. Before the war, he had attended UCLA, worked at MGM Studios, and owned a hotel in Bali for six years. While

living there, he learned to speak Dutch and Malay and introduced the sport of surfing to the island.

During the war, Koke’s responsibilities included training OSS agents and escorting them on submarine operations, one of which was RIPLEY I. The operation’s primary objective was landing J. F. Mailuku, agent HUMPY, on occupied Java for a reconnaissance of the Sunda Strait area and for espionage in Sumatra. (As mentioned earlier, this operation quickly went awry.) Immediately



Robert Koke on his Kuta Beach resort and his hotel’s signboard in undated images attributed to his wife, Louise.

The republican leaders did tell the Americans about provocations by Dutch troops, who had just started to arrive in Java in small numbers: "Dutch soldiers are so nervous and 'trigger happy' that a number of Indonesians have been killed by irresponsible shooting."

after the landing, the British submarine that had transported Mailuku captured a 35-foot Indonesian junk and began towing it to a more secure area. The junk capsized, and Koke swam to the craft to search for travel documents, local currency, and other items of intelligence value. "A good sea was running and the force of the water had washed the entire contents out of the junk," according to Ray F. Kauffman, the civilian commander of RIPLEY I. "Koke repeatedly dived under the wreck" until daylight jeopardized the safety of the surfaced submarine.³³

After the surrender of Japan, Koke led the OSS team that accompanied British forces reoccupying Singapore. In addition to helping release and repatriate POWs, he established an OSS mission that served as a regional supply base and a clearing point for intelligence communications from Malaya and Indonesia. He advised the OSS station in Kuala Lumpur on operations and made many visits to Batavia. According to a commendation in his personnel file, Koke "was remarkably successful in collecting much valuable information at the top levels of military and local government circles in Java."³⁴

A Deteriorating Situation

On 9 October 1945, one day after the death of the first British soldier in Java, Koke and three other SSU officers interviewed Sukarno and

representatives of his government. The republicans warned the Americans that the situation was "rapidly deteriorating." Seeking speedy negotiations to resolve the question of Indonesian independence, Sukarno and his ministers wanted intervention by the United Nations (UN) and expected the British to be their means of communicating with the recently established world body. The SSU officers offered little encouragement on either count. British authority, they said, was restricted to military occupation and to the repatriation of POWs and internees. And the Indonesians' preferred approach to negotiations would be "difficult" because the UN did not recognize the nationalists' government.³⁵

During this meeting, Sukarno and his ministers voiced their fears about the Dutch "using the British occupation as a cover to achieve a coup d'etat." What was left unsaid, or least unrecorded in the notes of the meeting, was that some Indonesians were beginning to view British forces as pro-Dutch targets for terrorism. The republican leaders did tell the Americans about provocations by Dutch troops, who had just started to arrive in Java in small numbers: "Dutch soldiers are so nervous and 'trigger happy' that a number of Indonesians have been killed by irresponsible shooting." Many of these assaults, the nationalists said, were "made from trucks with the marking 'USA' on them," and "many of the Dutch are dressed in U.S. uniforms." Koke explained that the trucks and uniforms

were Lend-Lease supplies issued in Australia. "The U.S.," he said, "had no responsibility for it." Sukarno replied that Indonesian leaders knew this. The masses, however, did not, and they had concluded that "the U.S. approves of these assaults."³⁶

That same day, Koke and other SSU officers were eyewitnesses to the kind of Dutch provocation mentioned by the nationalists. Down the street from SSU headquarters, shouting Dutch soldiers waved their weapons while forcibly evicting some 25 Indonesians from a building facing the headquarters of Lt. Gen. Ludolph H. van Oyen, commander of the Royal Netherlands East Indies Army. When asked what the soldiers were doing, a Dutch officer replied, "Moving the Indonesians out as they did not want them across the street from General van Oyen." The officer further observed that "the Indonesians were spies." The Americans, however, subsequently learned that the building facing van Oyen's headquarters was a relief and welfare center and that the alleged spies were in their midteens. Their real "crime" had been occupying a building that flew a red-and-white nationalist flag.³⁷

While SSU officers waited to see if the prisoners would be carried off in trucks with US markings, a passing automobile with a nationalist flag on the windshield backfired. Two Dutch guards immediately fired automatic weapons at the vehicle, which crashed into a low wall at SSU headquarters. The driver was killed; his three passengers were wounded, one mortally; and all four were unarmed. "The Dutch officer who came up to the car after the shooting stopped seemed dazed and at a loss as to why it had happened," Foster reported.

The SSU officers who witnessed the incident concluded that nervous Dutch guards had erroneously connected the car with the evictions and “opened fire out of sheer panic.”³⁸

A less blatant manifestation of Batavia’s dangers was the disappearance of agent Mailuku. He and an acquaintance who reportedly worked for Dutch intelligence went to a meeting of Indonesian nationalists, but he never returned from it. According to one account, the two spies were last seen riding in a car flying a red-and-white flag. “On each side of them there were other men—perhaps guards,” said an SSU source whose codename was PENNY. Because there had been neither word from Mailuku nor ransom demands from his captors, PENNY believed that Mailuku was “executed” for associating with a Dutch agent.³⁹

Going Home

On October 10 Crockett left Batavia for Singapore and his eventual return to the United States. Including planning, he had been in command of ICEBERG for approximately two months. His term as mission leader had been ended by a British request for his relief. “They asked for my recall as being uncooperative,” he wrote in his ICEBERG report. In Crockett’s view, however, it was the British who had been unhelpful, refusing essential supplies, commandeering OSS vehicles, and denying access to essential local funds: “They stalled us, they sidetracked us, they deceived us in every possible way.”⁴¹

Crockett, who showed little understanding of the difficulty of SE-

“Contrasted with wartime operations where as an American unit we were recognized [by Allies] as a part of a team with a mutual objective, the Batavia mission could at no time be considered a joint and cooperative mission.”

AC’s mission in Indonesia, appeared to have a monolithic view of British and Dutch interests. The Europeans, he alleged, were “very worried that U.S. observers would report unfavorably, even though accurately, on their subtle endeavors to restore a virtual ‘status quo ante bellum.’” Despite his own pursuit of unilateral US objectives in Java, Crockett did not seem to recognize the irony of his principal conclusion about ICEBERG: “Contrasted with wartime operations where as an American unit we were recognized as a part of a team with a mutual objective, the Batavia mission could at no time be considered a joint and cooperative mission.”⁴²

A week after Crockett’s recall, Jane Foster left Batavia—a departure that was also involuntary. Her SSU superiors, apparently unwilling to risk the repercussions from any harm that might befall her, appear to have decided that Indonesia was too dangerous for a woman. They had made a similar decision once before, when Christison’s forces first landed in Java. Anticipating trouble, Crockett requested a British security force for OSS headquarters but was informed that such troops were neither available nor necessary. Foster, temporarily evacuated to Singapore, complained that she “could not understand why Major Crockett should be made more responsible for my safety than for the other members of the mission.”⁴³

It seems highly probable that British officials were pleased by Foster’s permanent removal from

Java. Crockett praised her “skill and diligence” in collecting political intelligence and “her dealings with the nationalists’ representatives”—activities the British apparently perceived as unhelpful meddling. Detachment 404’s summary report for the month of October noted that the British had objected on several occasions “to any contact on our part with the leaders of the Nationalist cause. As a result of this, contact which had been established was required to lapse temporarily until more subtle means of communication could be established.”⁴⁴

The members of ICEBERG who remained in Batavia shared a longing that was contributing to a theater-wide turnover of SSU personnel: American citizen-spies wanted to go home. In a message to Kandy, Thomas Fisher, Crockett’s successor as SSU chief in Batavia, used the military’s phonetic alphabet to communicate this urge: “All eligible here desire return to Uncle Sugar as soon as can be spared.”⁴⁵ A graduate of West Point, Fisher had led the 50 OSS personnel attached to the British 34th Indian Corps in postwar Malaya and established an OSS field station in Kuala Lumpur. With the war over, he indicated a desire to resume his career with the regular army but volunteered to stay in Batavia as long as necessary.

Like all SSU officers, Fisher was under strict instructions to be apolitical in his conversations with Indonesians, the British, and the Dutch. But also like his fellow intelligence

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officers, Fisher was more sympathetic to the nationalists than the Dutch. He was convinced that the US government recognized neither the seriousness of the situation in Java nor the need for “some channel of negotiation.” The nationalists, Fisher declared to his superiors in Kandy, would accept a “trusteeship with a definite promise of independence” at a fixed future date. Without negotiations toward that end, they would fight the Dutch, who continued to be “blindly provocative.” On 15 October Fisher warned: “Every hour of stalemate brings anarchy closer.”⁴⁶

SSU director Magruder forwarded the substance of this and other intelligence reports from Batavia to Colonel Alfred McCormack, a lawyer and military intelligence officer whom Secretary of State Byrnes had recently appointed his special assistant for intelligence and the head of IRIS. Because the State Department still lacked a representative in Batavia, SSU reporting undoubtedly influenced portions of a well-publicized speech by John Carter Vincent, director of the Office of Far Eastern Affairs. In remarks delivered on 20 October to the annual forum of the Foreign Policy Association in New York, Vincent discussed American objectives and policies in the Far East. Commenting briefly on Southeast Asia, he acknowledged that the situation was not “to the liking” of Americans, Europeans, or Southeast Asians. The United States, Vincent declared, did not question the sovereignty of the French in Indochina or

the Dutch in Indonesia. US officials did, however, “earnestly hope” that the Europeans would reach “an early agreement” with the local movements opposing them. “It is not our intention to assist or participate in forceful measures for the imposition of control by the territorial sovereigns,” he said, “but we would be prepared to lend our assistance, if requested to do so, in efforts to reach peaceful agreements in these disturbed areas.”⁴⁷

The apparent offer of US mediation in Southeast Asia seemed encouraging to republicans in Indonesia. Perhaps assuming that such a significant announcement could only come from a member of President Truman’s cabinet, Indonesians initially attributed Vincent’s statement to Treasury Secretary Frederick M. Vinson. Dutch officials, however, knew precisely who had made the offer, and they were disturbed by it. They did not want mediation, which would imply recognition of the nationalists and their claims. What they wanted was control of any changes

in Indonesia’s relationship with the Netherlands. Critical of the British, who lacked the troops and the will to reoccupy the major islands of the archipelago, Dutch officials were concerned that the United States also was failing them. Henri van Vredenburg, counselor in the Dutch embassy in Washington, pointedly asked the State Department to whom its offer of “assistance” was addressed. Vincent replied, somewhat implausibly, that his offer was “addressed to no one. It is a simple indication of our willingness to be helpful.”⁴⁸



Consul General Walter Foote on his return to NEI, 21 October 1945. Photo © John Florea/The LIFE Picture Collection/Getty Images

Uncle Billy

On 21 October 1945, some three-and-a-half years after fleeing the invading Japanese army, Walter Foote realized his ambition of returning to Batavia to reopen the US consulate. The 58-year-old Texan was an affable diplomat who liked to be called “Uncle Billy.” Albert C. Cizauskas, a Foreign Service officer who worked with Foote after the war, recalled: “Uncle Billy was the epitome of the United States before Pearl Harbor, insular and avuncular, whom everyone liked because they thought he was on their side.”⁴⁹ According to Charles Wolf Jr., a vice consul under Foote in Indonesia, “Much of his life, his feelings, his values, and recollections, were inextricably bound up with the prewar pattern of colonial existence. His attitude toward the plight of the Dutch was naturally one of sympathy.”⁵⁰

Foote’s attitude toward the “natives,” however, was paternalistic and condescending. When he returned to Washington in the spring of 1942, Foote characterized the diverse peoples of Indonesia as “docile, essentially peaceful, contented and, therefore, apathetic towards political moves of any kind. There is no real anti-Dutch sentiment among them.” He made this comment in “Future of the Netherlands Indies,” a 40-page memorandum to Secretary of State Cordell Hull. Despite its forward-looking title, the paper was notably lacking in prescience. In an apparent reference to Sukarno, a gifted orator whom the Dutch imprisoned before the war, Foote wrote: “A firebrand leader occasionally arises and speaks in a loud voice of the oppression of his people, but he never

Although his initial message to the State Department was reasonably balanced, Foote soon resumed his tendency to parrot the Dutch point of view in his despatches.

gains the support or even the respect of the mass of the people.”⁵¹

Defending Dutch colonial administration, Foote reported to Hull that since his return to Washington he had heard sincere but uninformed comments about the NEI from unnamed pundits and “probably” some government officials. “The colonies must not go back to their original owners,” they said, and, “The people of the Indies should be independent.” Foote found these opinions “strange and immature.” While discussing the future status of the archipelago, he declared: “The natives of the Netherlands Indies are most definitely not ready for independence. That condition is fifty or seventy-five years in the future.” Foote acknowledged that the “old order will not return.” He concluded, however, that the “only feasible solution” for the Indies was “to remain under Netherlands sovereignty.”⁵²

Foote returned to Batavia more than one month after the arrival of the first OSS officers. In his first postwar report to the State Department, he described the city as “nearly dead.” Food, water, and local transportation were scarce, and the streets of Batavia were “unsafe at night.” The sole American diplomat in Java, Foote wrote that the Indonesians and Dutch were politically deadlocked; that Sukarno’s “movement” was “far deeper than thought”; and that the Dutch felt bitter toward their allies, especially the British. Foote summed up the situation as “confused” and “chaotic,” with “no solution in sight.”⁵³

Although his initial message to the State Department was reasonably balanced, Foote soon resumed his tendency to parrot the Dutch point of view in his despatches. On 12 November, for example, he reported “growing opinion” in Batavia that the nationalists’ cause was not a “real freedom movement” but a Japanese-inspired effort “to create chaos.” Colonel Simon H. Spoor, chief of the Netherlands Forces Intelligence Service, pedaled a similar line to the SSU, claiming that the unrest in Indonesia was a continuation of World War II: “The world should be informed that the allies are still fighting the Japanese and that the political situation should not confuse the basic aim.”⁵⁴

The Dutch propaganda mischaracterized both the Indonesians and the Japanese. Japanese troops were under orders from both SEAC and their own high command to protect POWs and internees until relieved by allied forces. Although some Japanese fought alongside the Indonesians against the British, most obediently served the under-strength occupation forces. According to a report from Bandung by Major Fisher, leaders of the British 37th Indian Infantry Brigade said that the 4,000 Japanese soldiers performing security duties there were “cooperating 100 percent in carrying out any orders given to them.” And after visiting the coastal town of Semarang, SSU officer Shaw quoted Brig. Richard B. W. Bethell’s one-word assessment of the Japanese troops under his command: “magnificent.”⁵⁵

The Dutch undoubtedly influenced Foote’s conviction that Chris-

... the Japanese, either inadvertently or purposefully, had helped unify the Indonesians and provided them with military training. Now the nationalists felt "capable of resorting to force if necessary in order to preserve their independence."

tison was largely responsible for the problems in Java. In November 1945, Jan W. Meyer-Ranneft, a Dutch administrator in the NEI before the war and a member of Holland's Council of State after it, wrote to Foote, describing Christison as "an ignorant British general." Meyer-Ranneft, who considered Foote's appointment as consul general "the only good point" in the current state of affairs, declared that Christison "acts like a traitor of Western civilization."⁵⁶ Although Foote's own comments about Christison lacked such venom, the American diplomat agreed with Dutch officials that a leading cause of the burgeoning Indonesian revolution was the general's initial public comment about "not going to the Netherlands Indies to return the country to the Dutch." Foote also faulted Christison's "policy of never firing on the Indonesians unless attacked by them. This was interpreted as indicating British sympathy for the Indonesian movement."⁵⁷

The British in Java quickly concluded that Foote was "no heavy-weight." The American diplomat also made a poor impression on Sutan Sjahrir, who was appointed prime minister of the Republic of Indonesia on 13 November. An opponent of Japan's wartime occupation of Indonesia, Sjahrir was a scholarly nationalist with whom the Dutch were willing to speak. In a conversation with SSU officers Koke and Stuart, Sjahrir talked about an unproductive meeting he had with van Mook and Christison. At any future conference with them, Sjahrir

said, he wanted to have a neutral representative present: "He would prefer such a man to be an American but he does not want Foote."⁵⁸

SSU officers had their own doubts about the political judgment of the consul general. While Foote and the Dutch attributed the strength of the Indonesian nationalists to Japanese treachery, British blunders, and other external forces, the SSU station in Batavia provided a more fundamental explanation for the region-wide resistance to returning European powers: "Universal anti-colonial feeling and the presence everywhere of organized nationalist movements are of greater importance than any foreign influence. Even in the absence of concerted action, every movement toward nationalism supports every other, and appraises the chances of its own success by events elsewhere. Since colonial control is largely founded on the military prestige of the Western nations, psychological factors are of the highest importance. All Asia is coming to realize that the natives are not helpless, nor are the occidentals invincible."⁵⁹

Edmond Taylor, the SSU theater commander in late 1945 and early 1946, praised the work of his officers to Magruder and criticized Foote, although not by name: "Owing to their training and to the fact that they have no other responsibilities than to report, SSU field representatives sometimes appear to have a broader and more objective approach to the intelligence problems with which

they are confronted than other official observers. This is perhaps particularly marked in Batavia." For his part, Foote did not appreciate competing political analyses by intelligence officers. A report from SSU's Southeast Asia headquarters declared: "Consulates everywhere, except in Batavia, are still giving our work an enthusiastic welcome."⁶⁰

Robert Koke, who became commanding officer of the SSU station in Batavia on 2 December 1945, worried that he might have difficulties with Foote. Don S. Garden, an SSU official in Washington, discussed the matter with an unidentified representative of the State Department, who said that Koke had "nothing to fear." Because the department valued the intelligence reports from Batavia, "Foote would get his ears pinned back if he got obstreperous."⁶¹

Political Purposes

In the final months of 1945, "murder, kidnapping, arson, and robbery became the order of the day in Java," according to US military intelligence. Eurasians, who were predominantly the offspring of Dutch men and Indonesian women, were particular targets of revolutionary terror because of their loyalty to the Netherlands. Organized violence escalated from small-scale skirmishes between Indonesian and Dutch forces—"with equal provocation on both sides"—to a division-strength operation by the British to occupy the port of Surabaya, Java's second largest city. During the three-week battle, the 49th Indian Infantry Brigade was decimated, suffering 427 casualties. Estimated losses for Indonesians, who lacked the firepower and military training

of British troops, were measured in thousands. An SSU analysis of the Surabaya operation noted the severe Indonesian losses and the British military power but observed that travel outside of the city's defensive perimeter was "safe only for combat units of considerable strength."⁶²

During the fighting and the Indonesian pleas to end it, US officials walked a diplomatic tightrope, balancing a desire to be a good ally to the United Kingdom and the Netherlands with a rhetorical commitment to self-determination for prewar European colonies. The difficulty of maintaining this posture was evident from the conflicting expectations of the principal groups in Indonesia. Most nationalists admired the United States for defeating Japan and for espousing independence

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and self-government. But according to SSU officers Koke and Stuart, US prestige was jeopardized by the failure to make a "specific statement" supporting the nationalists. The intelligence officers criticized a recent declaration by Secretary of State Byrnes prohibiting the use of US-marked military equipment for "political purposes." Indonesians, they wrote, "recognize the statement for what it is—a measure which hurts no one, helps no one, and clarifies nothing." Continued silence about the nationalists would be interpreted as US "agreement with Dutch and British policy."⁶³

lacked a "sympathetic understanding of the situation in the Indies." As an example, they cited the unwillingness of the United States to equip former Dutch prisoners of war in the Philippines and transport them to Indonesia.⁶⁴

US officials, however, agreed with the British that landing additional Dutch troops on Java at this time "would only aggravate an already intolerable situation."⁶⁵ State Department officers asked the UK government if it would be helpful for Ambassador Hornbeck to informally encourage the Dutch to continue "discussions with all Indonesian factions." Lord Halifax, the British ambassador in Washington, delivered the UK reply to Secretary of State Byrnes on 10 December. While appreciative of the US offer, the Foreign Office stated that the problem was not Dutch reluctance to meet with Indonesian leaders but the inability of those "leaders to control extremists." The United Kingdom, which had made several unsuccessful appeals for greater Dutch flexibility in their dealings with the nationalists, preferred a more general, public statement from Washington "expressing the hope that negotiations would continue." Seeking to distance themselves from Dutch colonial objectives in Indonesia, the British thought that it would be "particularly helpful" if the US statement acknowledged SEAC's "important Allied task" in Java: "completing [the] surrender of [the] Japanese and looking after Allied prisoners of war and internees."⁶⁶

The equivocation of the United States also bothered Dutch officials. "The Dutch," according to an SSU report from Batavia, "resent American neutrality in the present Indonesian situation and believe that the U.S. has failed to live up to its wartime agreements by not giving aid to the Dutch." In The Hague, Dutch diplomats used more tactful language to communicate a similar message to Stanley K. Hornbeck, the American ambassador to the Netherlands. They suggested that US policy



Dutch troops in a gun battle in Batavia sometime in 1946. Photo © John Florea/The LIFE Picture Collection/Getty Images

Brigadier H. P. L. Hutchinson, who was responsible for the reprisal, was “very disturbed” by [SSU officer] Frye’s survey of the ruins.

With Byrnes and Halifax agreeing that “a political settlement was the only practical solution” in Indonesia, the State Department issued a press release on 19 December. In accordance with British wishes, the statement emphasized SEAC’s responsibilities for repatriating disarmed Japanese and allied POWs and internees. This mission, the news release declared with diplomatic understatement, had “been complicated by the differences between Indonesians and the Netherlands authorities.” With talks between the republicans and Dutch apparently suspended, the United States urged an early resumption of “conversations” that could potentially lead to “a peaceful settlement recognizing alike the natural aspirations of the Indonesian peoples and the legitimate rights and interests of the Netherlands.” Referring to the principles and ideals of the UN charter, the statement declared: “Extremist or irresponsible action—or failure to present or consider specific proposals can lead only to a disastrous situation.”⁶⁷

Foote reported to the State Department that British and Dutch officials in Batavia found the statement constructive. He was, however, unable to get an immediate reaction from Sukarno or Sjahrir, who were in Jogjakarta, a republican stronghold in Central Java. On 24 December, Richard Stuart interviewed three Indonesian cabinet ministers, who were gratified by the expression of US interest in Indonesia. They particularly appreciated the statement’s reference to the United Nations. Yet the ministers claimed to be “puzzled” by the men-

tion of the Netherlands’s “legitimate rights and interests.” Justice Minister Soewandi acknowledged Dutch “capital interests,” which the republic had “no intention of harming.” He was, however, unaware of any other Dutch “rights” in Indonesia.⁶⁸

Mutually Distrustful

In early January 1946, SSU Captain Marion C. Frye, a 33-year-old Iowan who had been a manufacturing executive before the war, visited the headquarters of the British 26th Indian Division in Padang, Sumatra. The mission of the division was to make Padang and two other cities on the island—Medan and Palembang—safe for evacuating an some 13,000 allied prisoners of war and internees still languishing in camps because of the lack of shipping. “The British are only maintaining a perimeter around these locations and are making no attempt to push on,” Frye reported to SSU’s regional headquarters. “No attempt is being made to disarm the Japanese or to concentrate them under British control.”⁶⁹

Larger in area, smaller in population, and richer in natural resources than Java, Sumatra had been a relatively peaceful battlefield in the fight for Indonesian independence. Resistance to the British occupation of Sumatra was initially limited to sniping and other small-scale military actions. The situation began to change, however, in December 1945, when a British major and a female Red Cross worker did not return from a planned swim near Emmahaven, the port of Padang. After a few days

of searching, their mutilated bodies were discovered, buried in shallow graves. “In retaliation,” Frye reported, “British troops burned kampongs [villages] for a distance of six miles along the road where the two bodies were found.” Brigadier H. P. L. Hutchinson, who was responsible for the reprisal, was “very disturbed” by Frye’s survey of the ruins. Apparently concerned by the possibility of unfavorable publicity, Hutchinson claimed that the “area had not been burned by the British but that someone had ‘accidentally dropped a match.’”⁷⁰

As in Java, Japanese soldiers in Sumatra performed security duties for the overstretched British occupation forces. The Japanese, wrote Frye, “are strictly obedient to British commands and do exactly as the British say.”⁷¹ Japanese troops were ordered to quell disturbances in Sumatra, particularly in the northern province of Atjeh. The province’s fiercely independent Muslim population had resisted Dutch control throughout the colonial era. The bold clearing of Atjeh and other troubled areas by the Japanese increased their prestige among the British and Dutch. According to one SSU report, many British officers described their wartime enemies as “good blokes.” And Dutch officials declared that Japanese “brutality” was the “only method [to] control [the] ‘natives.’”⁷² Another SSU report, however, indicated that the Dutch were “split internally” over measures for restoring control in Sumatra. On the one hand, older prewar colonial administrators were “convinced that all the trouble could be settled in one or two months by a vigorous secret service and a couple thousand troops.” On the other hand, some of the younger Dutch officers realized that “the problem is far deeper than this.”⁷³

Perhaps the most “vigorous secret service” operative in Sumatra, and later Java and Sulawesi, was 1st Lt. Raymond Westerling, a Dutch intelligence officer whose preferred method for establishing order was the summary public execution of suspected “terrorists.” Born and raised in Turkey, Westerling received commando training from the British during World War II. As a member of Force 136, he was one of the first allied officers to parachute into Sumatra after the surrender of Japan. Assigned to the 26th Division, Westerling went about his counterintelligence work “thoroughly and brutally,” according to Captain Joseph W. Smith, commander of the SSU field station in Medan. Noting the price nationalists had put on Westerling’s head, Smith incorrectly predicted to SSU officials that the Dutch operative would “eventually be killed by the Indonesians.”^{a,74}

Smith’s assignment in Medan was the result of an agreement between Mountbatten and Maj. Gen. Thomas A. Terry, Wheeler’s successor as IBT commander. In November 1945 Mountbatten had recommended the withdrawal of SSU from Southeast Asia because he had “no further need” of its services. Terry, providing cover for the SSU, claimed that he required the unit’s assistance for investigating war crimes. Despite “considerable British antipathy”

a. Westerling, who died in 1967, was the leader of a ruthless Dutch pacification campaign in South Sulawesi during December 1946–February 1947. After a lawsuit in 2012, the Netherlands government acknowledged a “special responsibility” for his summary executions, apologized for them at a ceremony in Jakarta, and paid compensation to families of Westerling’s victims. (“Dutch Apologize for Massacre,” *The Jakarta Post*, 13 September 2013.)

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toward US intelligence officers in Southeast Asia, Mountbatten agreed to allow the SSU to operate in areas where US consulates were not yet fully established. In January 1946 the SSU ordered Smith to Medan to collect military, political, and economic intelligence that would interest the State and War departments.⁷⁵

Smith, who was later known within the CIA as “Big Joe” Smith to distinguish him from a shorter agency operative, Joseph B. “Little Joe” Smith, was a graduate of Yale, class of 1942. He had majored in international affairs and possessed an exceptional ability for learning foreign languages. Initially assigned to the Research and Analysis Branch of the OSS, Smith waded ashore with the British force that reoccupied Malaya after the war. He helped establish, and later led, the OSS field station in Kuala Lumpur, where he developed a wide circle of secret contacts.⁷⁶

One of Smith’s first tasks in Medan was determining the fate of Indonesian agents assigned to CAPRICE, a wartime OSS operation to establish a reporting and radio station on the Batu Islands off the west coast of Sumatra. In January 1945 friendly villagers sighted the CAPRICE party. With help from a sympathetic village headman, the OSS team avoided capture by the Japanese for five months. Eventually betrayed, the seven-man CAPRICE party engaged in a series of firefights with Japanese troops and their Indonesian auxiliaries. Although the OSS hoped that at least some of its agents had survived, British

and US attempts to find them failed. Smith, who reviewed the available evidence and interviewed Indonesians who had helped the CAPRICE team, informed his superiors: “It would appear that there is little doubt that the entire party is dead.”⁷⁷

Smith’s reporting from Sumatra indicated that political developments on the island were closely linked to the policies of the republican government in Java. The nationalists’ political gains, however, were threatened by conflict among the diverse peoples of Sumatra, who spoke no fewer than 15 distinct languages, each with several dialects: “The Indonesians in Sumatra are tending to split into mutually distrustful groups along ethnic, political or economic lines, with a general increase in the strength of the extremists.” Targets of revolutionary attacks included the sultans of East Sumatra, who had traditionally ruled the coastal districts on behalf of the Dutch. “The Sultans,” Smith reported, “have been in contact with the Dutch and their general aim is to bring together all elements loyal to the old regime.” Commenting on the “rapid and violent” nationalist reaction to this plan, Smith observed: “The death rate among the nobility is exceedingly high.”⁷⁸

Centralizing Intelligence, Closing SSU

In early 1946 the US government made halting progress toward the creation of a centralized foreign intelligence agency. On 22 January,

At a time of increasing US concern about the postwar intentions of the Soviet Union, the SSU employed many experienced, committed officers who provided intelligence “of definite value.”

President Truman signed a directive establishing the National Intelligence Authority (NIA). Comprising the secretaries of state, war, navy, and a personal representative of the president, the NIA would have the ultimate responsibility for coordinating the collection, evaluation, and dissemination of intelligence relevant to national security. To assist the NIA in its work, the departments of state, war, and navy were directed to contribute personnel and facilities that would collectively form the Central Intelligence Group (CIG), led by a director of central intelligence (DCI) appointed by the president. In addition to coordinating intelligence, the DCI would perform “services of common concern” to US intelligence agencies, as well as other unspecified “functions and duties.” For reasons of security, the vague language in the presidential directive did not reveal the understanding that CIG would operate “a clandestine service for procurement of intelligence abroad.”⁷⁹

The first directive of DCI Sydney W. Souers, former deputy chief of the Office of Naval Intelligence, established a fact-finding board of military and civilian officials to make recommendations about preserving functions and assets of the SSU after its “liquidation.” Despite its contributions to policymakers, the SSU “in no way constitute[d] a complete or adequate world-wide clandestine intelligence agency,” according to its director, General Magruder. A key weakness of the SSU, evident in Batavia and elsewhere, was that foreign governments and their intelligence

organizations were familiar with its people. Whitney H. Shepardson, chief of secret intelligence for OSS and SSU, estimated that “85% of the intelligence personnel, through exposure to foreign representatives and agents in covert activity, have been compromised for any future secret intelligence activities.”⁸⁰

Another shortcoming of the SSU was that the OSS, the source of its personnel, had not conducted rigorous security investigations of its recruits. The exigencies of war did not allow it. In October 1945, however, the Security Division of the SSU began “a special sifting” of personnel records to ensure the “exclusive loyalty” of its employees to the United States. Andrew Sexton, chief of the Security Division, told the CIG fact-finding board that “new extreme security measurements” had led to terminations of employment. It is unclear whether the new security measures or the planned postwar reduction in SSU strength was responsible for Jane Foster’s release from the unit. Her personnel records only show that Foster’s position was “abolished” and that she was “involuntarily separated” from the SSU in January 1946.⁸¹

Establishing an entirely new clandestine intelligence service untainted by association with the OSS may have been theoretically desirable, but it was simply not feasible. At a time of increasing US concern about the postwar intentions of the Soviet Union, the SSU employed many experienced, committed officers who provided intelligence “of definite value” to the

State Department, War Department, and other government agencies. “Any cessation in the gathering and dissemination of such intelligence,” the CIG fact-finding board concluded, “would definitely impair the work of the customer agencies.” The board, therefore, recommend that the SSU “should be placed under CIG and properly and closely supervised, pruned and rebuilt.”⁸²

To preserve the future usefulness of experienced intelligence operatives in Asia, SSU headquarters made every effort “to get OSS personnel with long-range intelligence potentialities back to the United States or completely disassociated from OSS in the Far East.” SSU planners recognized that key officers would not be able to work in the region “for a considerable period of time, unless they lived there before the war and have a prewar occupation to which it is perfectly logical and natural for them to return.” Robert Koke, who returned to the United States in March 1946, fit this profile. He had expressed an interest in continuing intelligence work while ostensibly resuming his career as a hotel proprietor. “It will undoubtedly take him some little time to re-establish his cover,” an SSU planning document noted, “but once this is done he should be in an ideal position to establish himself as an observer and letter box at first, later possibly as an agent.”⁸³

Before he left Batavia, Koke and other intelligence officers responded to a request from the SSU theater commander, Lt. Col. Amos D. Moscrip Jr., for ideas about establishing a postwar espionage network in Indonesia. They warned him that any American observer “planted” in Java and Sumatra would have to be

“particularly cautious in his activities.” With the British planning their withdrawal and the Dutch assuming greater military control of the archipelago, security regulations would likely be tightened: “Even at present, phone tapping is being employed by Dutch security people. It may be stated conservatively that for the next three or more years any observer in the NEI must assume he is under war-time surveillance.”⁸⁴

As an “interim expedient” to maintain a minimal intelligence capability in Southeast Asia, the SSU had a small number of operators released from the armed forces and assigned to consulates in Bangkok, Batavia, Kuala Lumpur, Saigon, and Singapore. In each capital, an intelligence officer and a cryptographer ostensibly employed by the consulate worked for the SSU. The consulates provided communications facilities but the SSU stations had their own codes and ciphers. From the start, the so-called consular-designee system proved “unsatisfactory” to the SSU because of “the lack of cooperation from the State Department.” The fundamental problem was control over reporting. In Saigon, for example, Consul Charles S. Reed II “insisted that SSU should give him all reports for filing to State.” In Batavia, Walter Foote “again claimed for himself alone the privilege of political reporting.”⁸⁵

To preserve the future usefulness of experienced intelligence operatives in Asia, SSU headquarters made every effort “to get OSS personnel with long-range intelligence potentialities back to the United States . . .”

The SSU quickly scrapped the consular-designee system in Southeast Asia, with the exceptions of Bangkok and Kuala Lumpur. The two SSU civilians in Batavia—intelligence officer Stuart and cryptographer George W. Thomas—withdrew from the consulate on 18 June and returned to the United States. With CIG’s newly established Office of Special Operations assuming responsibility for espionage and counterespionage abroad, the SSU was officially shut down globally on 19 October. “It must be clearly understood that SSU has been liquidated and that the employment of all SSU personnel has been terminated,” wrote Colonel William W. Quinn, Magruder’s successor as director. “Certain selected individuals,” however, secured positions with the CIG.⁸⁶

Characterized as “a step-child of three separate departments” by its general counsel, Lawrence Houston, the CIG lacked the authority and budget to be an effective central intelligence organization. Lt. Gen. Hoyt S. Vandenberg, Souers’s successor as DCI and a future Air Force chief of staff, helped persuade President Truman that the organization and staffing

of the CIG was “unworkable” and that “only a fully funded, formally established, independent intelligence service would suffice.”⁸⁷ In 1947 the CIG was dissolved and replaced by the CIA.

As has often been observed, many of the CIA’s first generation of officers—including future DCIs Allen W. Dulles, Richard M. Helms, and William E. Colby—were veterans of the OSS.⁸⁸ Among the OSS officers in Indonesia who had multi-decade careers with the CIA were Robert Koke and Joseph Smith. Richard Stuart pursued his long intelligence career at the State Department, working in the Bureau of Intelligence and Research and serving as a liaison with the CIA. Frederick Crockett, the commanding officer of the first US intelligence station in Indonesia, wrote a highly selective account of his weeks in Batavia for the March 1946 issue of *Harper’s* magazine. His postwar career included an unsuccessful bid for political office in California and a return to the CIA in the early 1950s. He died in 1978, having spent the last 24 years of his life as a commercial real estate broker.⁸⁹



Endnotes

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7. Crockett to Coughlin, 29 August 1945, and Coughlin, "Chief of Mission Report—August," 1 September 1945, RG 226, Entry A1 110, boxes 28 and 20.
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19. Crockett, "Operational Report—ICEBERG," 25 October 1945.
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61. Taylor to Koke, 5 January 1945 [sic], RG 226, Entry A1 110, box 30.
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74. "Contacts in Medan Area," 8 March 1946, RG 226, Entry 214, box 5.
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Endnotes (cont.)

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