

THE PRESIDENT'S INTELLIGENCE CHECKLIST

9 MAY 1962
~~TOP SECRET~~

Page Denied

1. Laos

a. Communist forces are trying to cut off and destroy the remnants of the Nam Tha garrison [redacted] 50X1

[redacted] which 50X1 is retreating toward Ban Houei Sai, 85 miles to the southwest on the Thai border. Regular Pathet Lao forces-- supported by the Viet Minh--are in hot pursuit, while irregular Pathet Lao units are reportedly taking up blocking positions along the escape route. If the Communists press their offensive all the way to the Mekong, the royal forces may have to take refuge in Thailand and thus introduce fresh complications into the situation.

b. Clarification of the political situation is not likely to come soon. Phoumi and Boun Oum are still out of the country; Souvanna is unlikely to exert much weight from Paris; and Souphannouvong was last reported in northern Laos at Sam Neua.

[redacted] 50X1

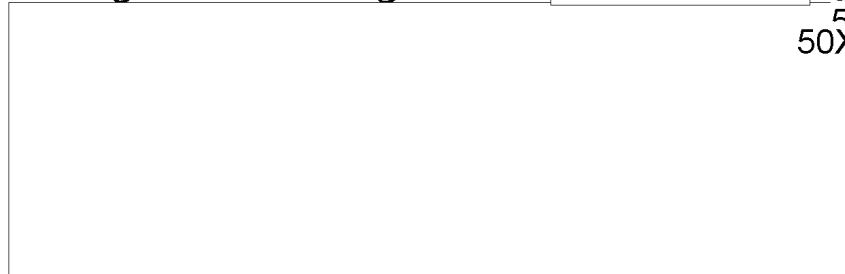
(cont'd)

e. Gromyko yesterday rejected a British proposal that the ICC submit an early report on the Nam Tha affair. In doing so, he took the line that the Communist side had been provoked by Phoumi's troops, and piously stated that the only way to stop "incidents" of this sort is for everyone concerned to follow the bloc's example of working sincerely for a settlement within the framework agreed at Geneva.

2. Sino-Indian dispute



a. The Chinese Communists show no signs of backing down. [redacted]



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b. Meanwhile, New Delhi is said to have ordered [redacted] Soviet helicopte for use in the disputed border area, and is on the verge of concluding deals with Moscow for additional aircraft. [redacted]



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3. Indonesia

a. In the absence from Djakarta of both Sukarno (in Bali

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[redacted] and Subandrio (en route home from Moscow), an official reaction to the latest Dutch proposals for resuming secret negotiations will probably be delayed for at least a couple of days. Sukarno is likely to insist that he will return to the table only if it is understood that the one purpose of the talks is to arrange the transfer of West New Guinea to Indonesian administration. It remains to be seen whether he will state his conditions in a manner acceptable to the Dutch who still seem to be in no particular hurry to start talking again.

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b. The announcement of a new arms deal with Moscow may turn out to be a bit exaggerated in view of Subandrio's statement to Ambassador Thompson last Monday that the objective of his mission was simply to speed-up the delivery of equipment already on order, not to make new commitments.

4. Sino-British economic relations



A large British manufacturing firm [redacted]

[redacted] is prepared to undertake the completion of one of their pet projects, the huge Sanmen Gorge hydroelectric-irrigation works on the Yellow River. As it stands--half done because of the pull-out of Russian technicians--the project is a monumental testimonial to the Sino-Soviet quarrel. The Chinese would scarcely be negotiating with the West on such an important project if they thought there was any chance of a resumption of Soviet aid. [redacted]

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5. Portugal



Anti-government demonstrations, right on schedule, broke out in Lisbon yesterday. They do not appear to have been as large or as well organized as those held on May Day. The police, trigger-happy as ever, dispersed the crowd with apparent ease after inflicting something like a dozen casualties on the demonstrators. So far, there have been no reports of trouble in Oporto.

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6. Algeria



Ben Khedda is scheduled to broadcast a speech from Tunis tonight which will probably contain new directives to Moslems concerning their conduct in the face of continuing OAS outrages. There is also a possibility that Algerian members of the Provisional Executive Committee will demand that nationalist troops be turned loose against the terrorists.

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NOTES

A. All the top brass among East German economic planners are in Moscow working out blueprints for 1963-65, the last three years of the current seven-year plan. [redacted]

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B. It now appears that pressure for a recess of the Geneva disarmament conference is building up after all. Neutral delegates are indicating that they feel a period for reflection might not be a bad idea, and that negotiations might be more profitably pursued after the US--and the USSR--complete their nuclear tests. [redacted]

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C. Several hundred university students are reported to have been arrested in Prague on May Day for demonstrating against food shortages. If true, this development is a striking manifestation of growing discontent in many parts of Czechoslovakia. [redacted]

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E. Food shortages in Pernambuco State in northeastern Brazil are reaching the disaster stage and the acting governor has asked that MATS fly in 1800 tons of beans to help meet the emergency. [redacted]

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F. Japan's interest in expanding commercial relations with Communist China [redacted]

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DOCUMENTS OF INTEREST

I.

II.

[Redacted content]

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THE DIRECTOR OF CENTRAL INTELLIGENCE