

THE PRESIDENT'S INTELLIGENCE CHECKLIST

18 JUNE 1962
~~TOP SECRET~~

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1.

Nehru

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contrary to the Indian government's contention, the Soviet offer to allow the manufacture of MIG engines in India carries strict security conditions.

2. Indonesia-Netherlands

a. Subandrio is pressing for U Thant to state publicly what he has already said privately, namely that in his opinion the Netherlands and Indonesia have the same interpretations of the Bunker proposal. With this, Subandrio indicates, there would be no need for such a profession from the Dutch and talks could be resumed as early as next week. Subandrio also made it clear, however, that the Indonesians envisage any further secret talks as only a brief preliminary to the opening of formal negotiations under the UN's aegis. The Dutch appear to be in a forthcoming frame of mind, but have said they would like to thrash out the maximum amount of detail at the secret level before entering the formal stage.

b. Meanwhile, four Soviet submarines are on a southerly course in the Pacific, probably bound for Indonesia. Their arrival would bring up to 12 the number of submarines delivered to the Indonesians.

3. Laos

Souvanna and Souphannouvong, who were due in Vientiane this morning, are claiming that a muddy airport has prevented their take-off and have postponed their arrival. However, both princes are balking at plans to have the King mention the National Assembly's approval of the new government in the forthcoming Royal Ordinance establishing the new regime. Their contention is that the Souvanna government gets its legal standing from the Zurich agreements and needs no sanction from the Phoumi-dominated Assembly. We believe that this sticking point is the real reason for their failure to show up on schedule.

4. Algeria

a. A spokesman for the Algerian nationalists yesterday announced that Europeans in Algeria will be granted amnesty after the July 1 independence referendum. This comes as the outgrowth of the behind-the-scenes talks between nationalist and OAS representatives which have been in progress for the past two weeks. This morning's press dispatches are reporting that the OAS in Algiers has in return declared an end to the campaign of destruction and that there had been no violence in the city up to 10 AM local time today. However, we do not yet know how solid this truce is. For one thing, the nationalist announcement is ambiguous as to whether the amnesty will apply specifically to OAS members, and, for another, it is anything but certain that the extremist wing of the OAS, centered mainly in Oran, will go along with a truce.

(cont'd)

b. The outflow of Europeans from Algeria has, in the meantime, reached flood proportions. By French count, 92,000 refugees arrived in the Metropole during the first 12 days of this month.

c. The Provisional Algerian Government has officially requested a formal US statement welcoming Algerian independence, including a generous offer of assistance, as soon as the results of the referendum have been announced.

5. South Korea

The military junta has moved to head off a recoil from the resignation on Saturday of Prime Minister Song Yo-chan, who could become a rallying-point for disgruntled elements inside and outside the regime. The government yesterday announced the arrest of 74 individuals on charges of subversion. General Pak, already president and head of the junta, has taken over as premier.

6. Communist Chinese economic difficulties

A shortage of funds has forced Peiping to order a curtailment in personnel in at least two diplomatic posts

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NOTES

- A. The Thais, just as apoplectic about the International Court ruling as could have been expected, announced this morning that they are sealing tight their border with Cambodia.
- B. President Betancourt has talked to the Venezuelan military [redacted] and seems to have dissuaded them from acting on their own. 50X1
- C. Adenauer's public allusion to a Franco-German-Italian political alignment seems to be generating as much opposition in Paris as elsewhere in Europe. [redacted] 50X1
[redacted] 50X1
- D. The UAR is sure of 19 delegations being on hand for the economic conference of developing nations, due to open in Cairo on July 9, and looks for at least 10 more. Among the Latins on the list are Cuba, Mexico and Bolivia, and there is a fair chance that Brazil, Chile and Uruguay will also accept. [redacted] 50X1
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DOCUMENT OF INTEREST

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THE DIRECTOR OF CENTRAL INTELLIGENCE