

THE PRESIDENT'S INTELLIGENCE CHECKLIST



24 JAN. 1962
~~TOP SECRET~~

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1. Laos

- a. Phoumi and Boun Oum are back in Vientiane as intransigent as ever and increasingly vocal about alleged US "interference" and "pressures."
- b. Members of the Vientiane Geneva delegation have fanned out to muster international support for Phoumi's stand.

c. Thai Foreign Minister Thanat responded encouragingly to the President's letter while Sarit gave grudging acquiescence. Young is cautiously hopeful but still wary of Sarit's ultimate reaction.

d. Souvanna Phouma, in a harsh and bitter mood, is quoted as predicting that if fighting is renewed, operations will be pursued "without pity."

e. Although we have no new reports on fighting in Laos, apparently Kong Le's 20 January order alerting his troops for a counter-attack toward Thakek still stands. Supplies were to be dropped to his forces in the area yesterday.

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2. Venezuelan disorders
continue

Incidents yesterday included bombings of American commercial offices. Areas outside the capital appear generally under control, although an attempt to sabotage oil facilities was reported earlier. Troops have been deployed to expected trouble spots in outlying cities and reinforcements have arrived in Caracas. Our Embassy reports the situation serious but not yet critical. The military are firmly supporting the government, but continued snowballing of incidents would increase pressure on Betancourt to order an all-out effort against extremists or risk a military take-over. [redacted]

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3. USSR-Berlin

a. Moscow appears to be domestically justifying its deliberate negotiating pace. A public lecturer—a device often used to explain government policies—flatly stated last Sunday in discussing the Thompson-Gromyko talks that a negotiated solution was preferable to a unilateral peace treaty. This follows the strong 17 January Pravda attack on opponents of peaceful coexistence.

b. Meanwhile, back in Berlin, the Ulbricht regime has already marshalled its propaganda and agitation apparatus in preparation for enactment of con-
scription today and new customs regula-
tions are still to come. [redacted]

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c. The Soviets have been quietly making their presence visible along Berlin's borders in recent weeks and appear to have improved their position to take immediate control over any developments that might arise.

4. New French proposal clouds prospects for Common Market political ties

Personally drafted by De Gaulle and only reluctantly supported by his own delegates, it is even more anti-supranational and consequently less acceptable to the Six than his earlier position. It came just as the others, after bitter bargaining, were moving closer to France's October proposal. Since it contrasts with French acceptance of recent EEC economic decisions, the move may be only a tactical maneuver looking toward a compromise solution. If not, it represents serious retrogression in the progress of European political unity.

5. USSR industry moved ahead in 1961 as the consumer continued to lag behind

Initial announcements indicate industrial output exceeded annual targets and made good progress toward 1965 goals. Agricultural production, however, is still little if any above 1958 and neither housing nor manufactured consumer goods targets were met. While our information on investment is still incomplete, it also appears behind schedule, registering an increase well below that achieved in recent years.

NOTES

- A. Tshombé has been invited to attend the 7 March New York rally of "Young Americans for Freedom." [redacted] [redacted]
[redacted]
[redacted] Gizenga, meanwhile, is under "protective" military custody in Leopoldville.
- B. Indonesian "feelers" to the Dutch are out via "secret" contacts by Indonesian Ambassador Malik as well as through U Thant. Jones foresees a gradual "glide" into talks with the Dutch providing nothing rocks the boat.
- C. Despite the security risks involved, the USSR is now using non-bloc chartered merchant ships to carry its military cargoes on the long Indonesian and Cuban runs. We believe this is to relieve pressure on the Soviet merchant fleet in meeting ambitious arms delivery schedules. [redacted]
- D. Afghan arrangements for moving US aid goods across the Pakistan border are well along. Barring last minute hitches from Karachi, goods should move shortly.
- E. At the French "spy" trial yesterday, the Egyptians produced documents which include an alleged conversation between US Ambassador Badeau and the defendant, in which Badeau stated that Nasir's position had become weak, that relations between USSR and Egypt were normal and that Egyptian socialism is nearer to fascism.

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THE DIRECTOR OF CENTRAL INTELLIGENCE