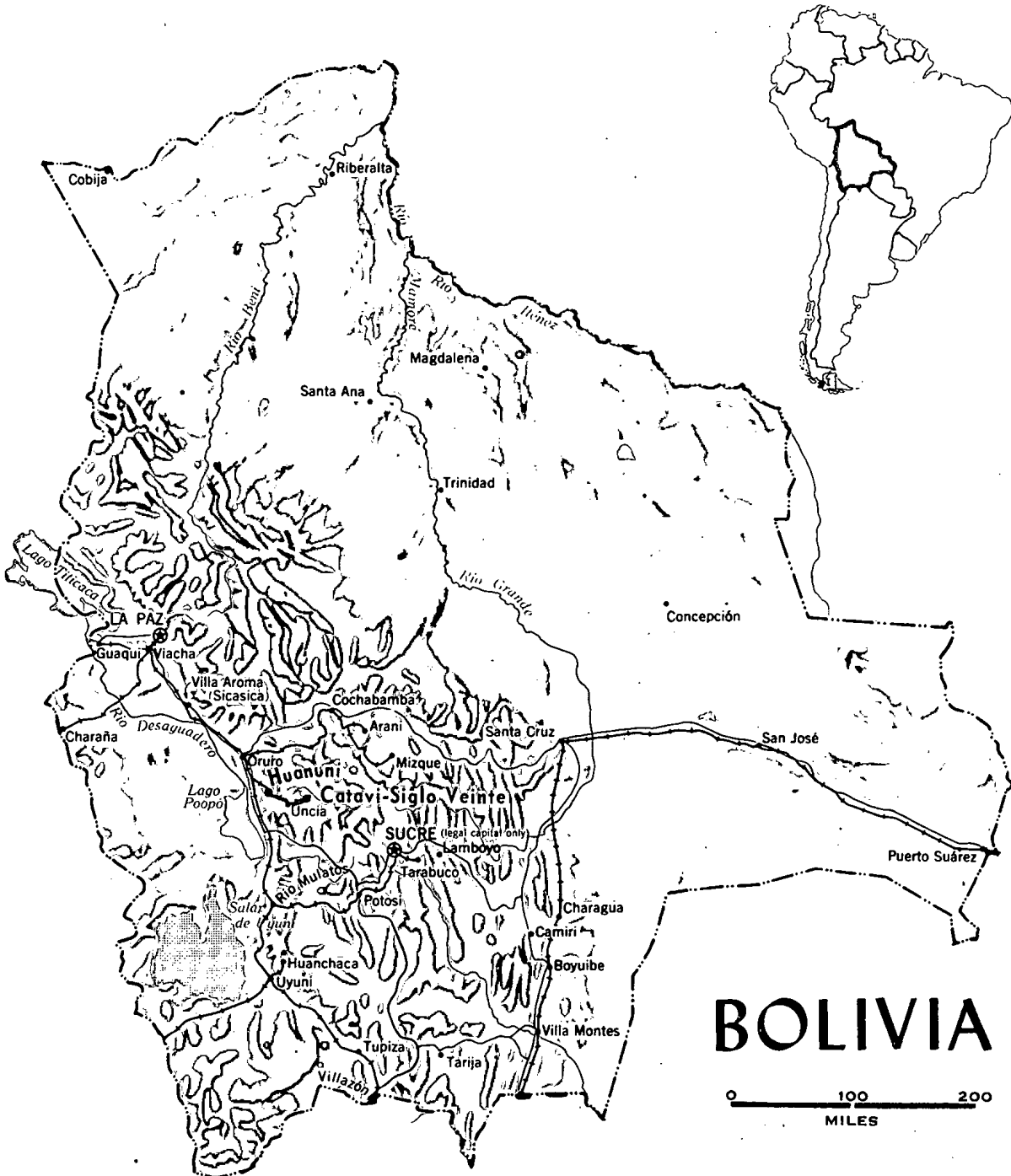


THE PRESIDENT'S INTELLIGENCE CHECKLIST

**ISSUED BY THE
CENTRAL INTELLIGENCE AGENCY**

**16 DECEMBER 1963
~~TOP SECRET~~**



BOLIVIA

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MILES

1. Bolivia

a. The hostages had not been released as of 0900 this morning, despite the agreement between President Paz and Vice President Lechin reached this weekend.

b. The deal calls for freedom for the hostages, simultaneous withdrawal of government troops from the mine area, and a fair trial for the jailed labor leaders.

c. The Catavi-Siglo union yesterday acceded to these terms, but asked that "Comrade Lechin" return to the mines to explain the agreement to the miners.

d. The Siglo radio last night indicated that the miners themselves had not made a final decision.

e. Lechin arrived at the mines late last night. He is to address a miners' rally this morning and, if he is persuasive enough, release could follow.

2. USSR

a. After Khrushchev's final speech to the Central Committee on Friday, we are more convinced than ever that his chemical program--as now conceived--will require a massive reshuffling of economic resources and a slowdown in the rate of military spending.

(Cont'd)

b. To reach the planned five-fold increase in chemical investments by 1970, Khrushchev will have to hold down investment not only in "non-productive" fields like housing and public service, but also in hitherto sacrosanct heavy industries.

c. Where the knife will fall in defense expenditures is uncertain. Khrushchev may have in mind picking up the 1960 program, suspended in 1961, for reducing military manpower from 3.6 to 2.4 million. The figure is now around 3.3.

d. First reports on the 1964 budget published today show a drop in direct military outlays of less than 5%. Other figures so far are consistent with the Khrushchev program.

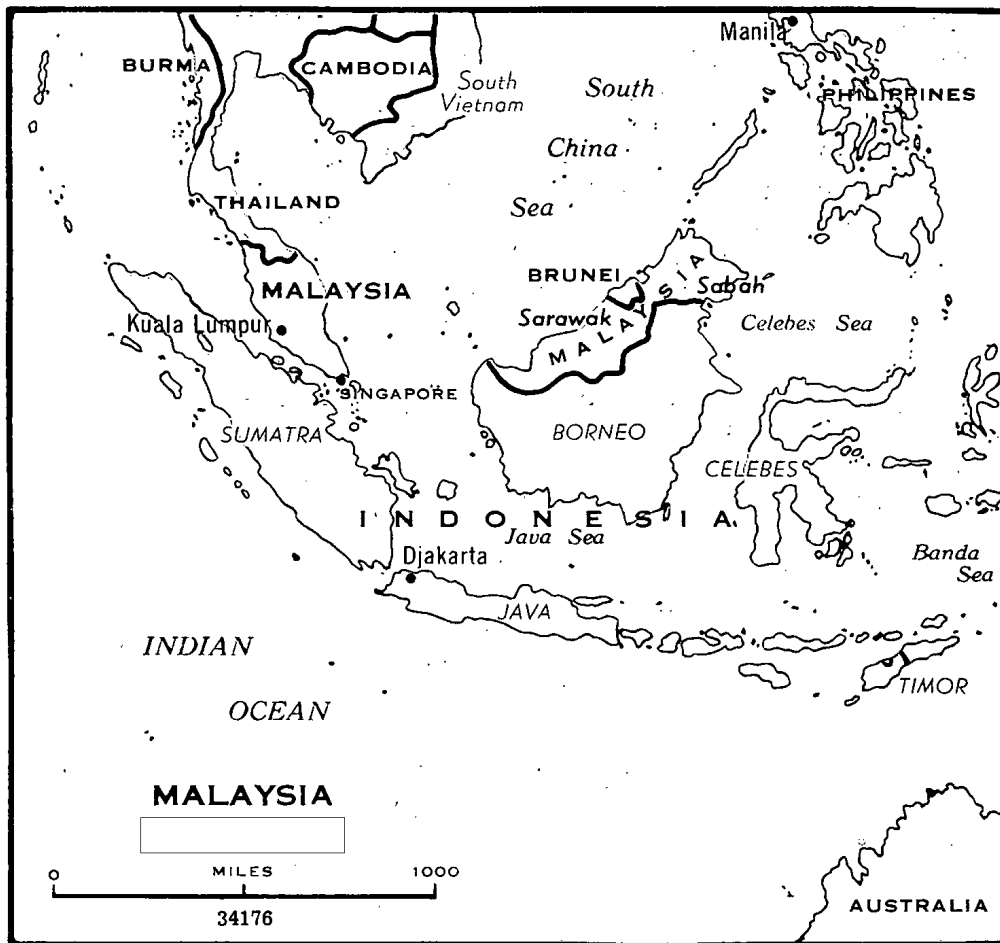
3. Indonesia-Malaysia

a. Sukarno, who has little patience with economic problems, is disposed to ignore the strains his "crush Malaysia" policy is putting on the hard-pressed Indonesian economy.

b. The Indonesian Government admitted [redacted] it does not have the foreign exchange to pay even the annual service charges on its huge (\$1.56 billion) foreign debt. In addition, this year's budget is running a far larger deficit than had been anticipated a year ago.

50X1

(Cont'd)



50X1

c. Preparations continue for expansion of subversion and guerrilla warfare in Malaysia. Brunei, although not yet a part of Malaysia, is now to be included.

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4. Brazil

a. A decree signed by President Goulart last week could lead to the cancellation of many US and other foreign mining concessions.

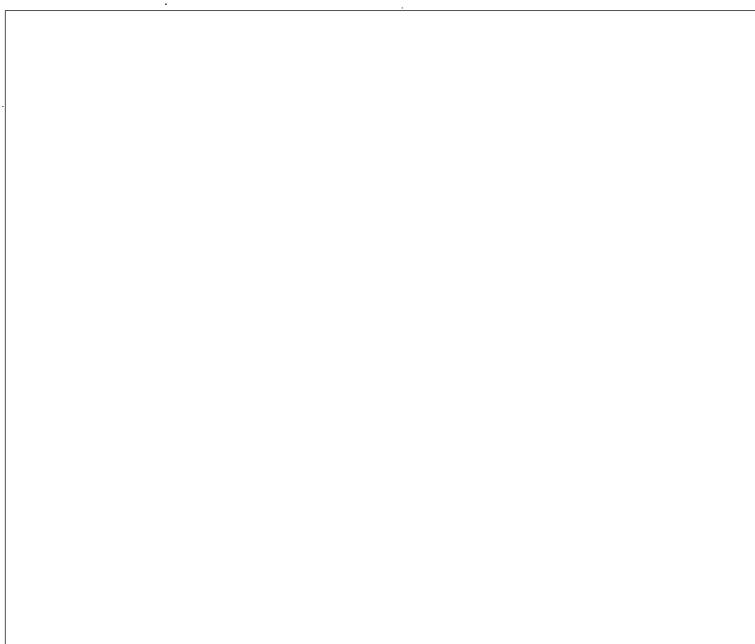
b. Under its terms the minister of mines has the power to suspend any mining operations he finds "prejudicial to the public interest."

c. Foreign mining concerns have come under strong leftist attack in recent months. In one state, the governor has already taken steps to cancel concessions granted to the US-owned Hanna Mining Company.

5. Cambodia

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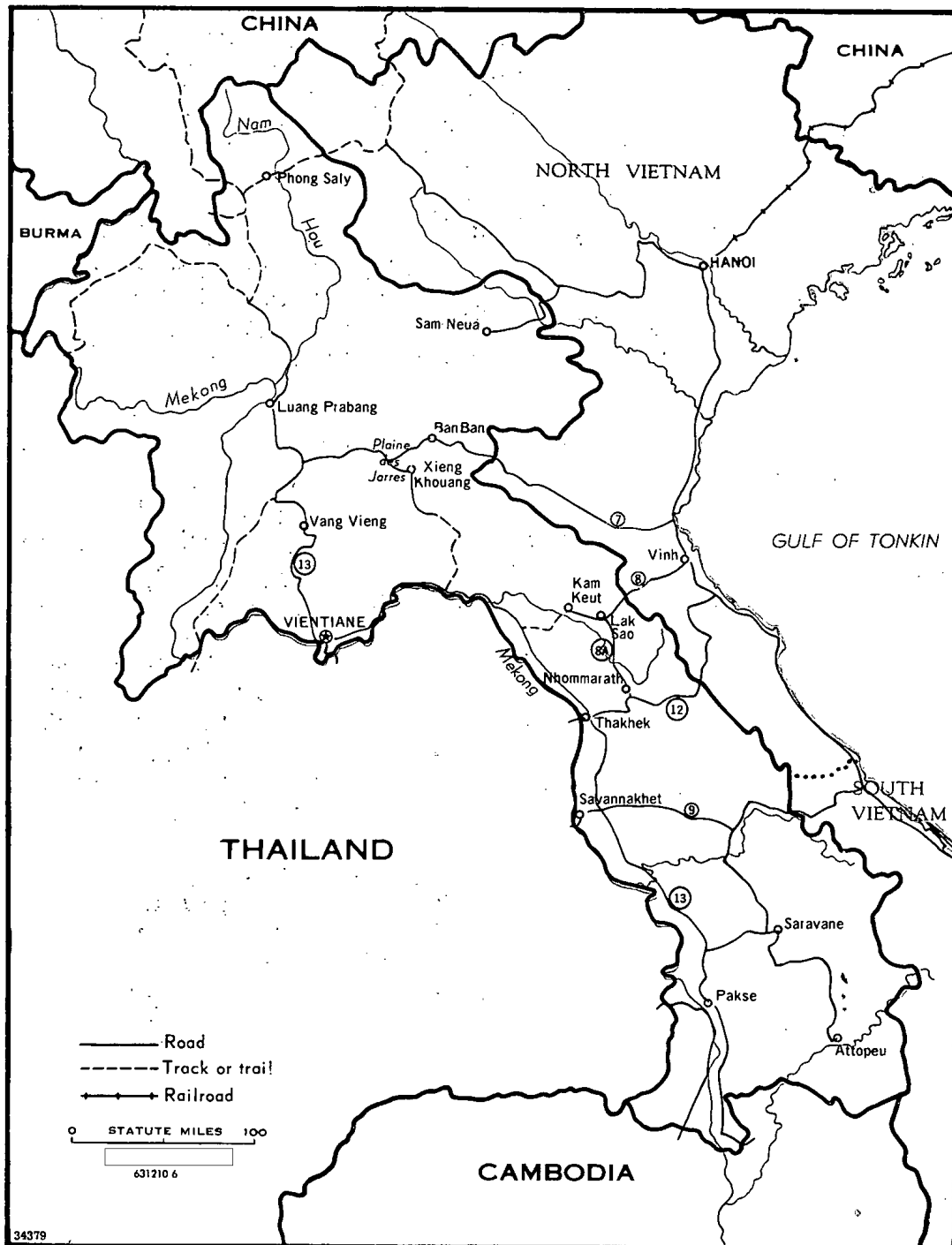
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LAOS



50X1

NOTES

A. South Vietnam [redacted]

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B. Laos Laotian government forces are planning an attack in southern Laos to cut the so-called Ho Chi Minh trail, over which infiltrators and supplies flow from North Vietnam to the Viet Cong. If the plan is carried out, it could trigger the Communist response we have been expecting.

C. Dominican Republic Officials in Santo Domingo expect that anti-government activities by the pro-Castro "14th of June" party will be broadened soon to include violence and terrorism in the cities in support of the waning guerrilla movement in the northern hills. [redacted]

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D. Turkey It will apparently take several more weeks for a new coalition government to be hammered out. President Gursel, following the failure last week by the head of the Justice Party to round up sufficient support, has asked Inonu to make another try. The military seems relaxed for the present.

E. Aden The British, fearing that the bomb throwing at Aden Airport last week was the signal for an organized Yemeni-UAR terrorist campaign, have rounded up leaders of local Arab nationalists and deported over 100 Yemenis.