THE PRESIDENT'S INTELLIGENCE CHECKLIST

28 JUNE 1961

TOP SECRET
1. Algerian developments

a) De Gaulle yesterday announced he would recall one division from Algeria as the first step in a phased withdrawal. This is obviously intended to persuade the rebels he really means to give Algeria full independence. While repeating his commitment to the Evian negotiations, he indicated he also means business about partition if they are unsuccessful. The token troop withdrawal will further stir up the European extremists.  

b) There are signs of a drop in French army morale following the unilateral cease-fire.

2. Shah and General Bakhtiar continue to support Amini
3. Harriman's meeting with Phoumi on Tuesday

His assessment: Phoumi realizes he must face the political and military facts and capitulate as gracefully as possible, while using the King and the constitution to keep some non-Communists in a coalition government; Phoumi sees as the only possible alternative an assurance of US military backing if he refuses to accept a dictated solution. (Note: we are concerned that Phoumi may make a deal with Souvanna; also that the commander of the Vientiane garrison, who is strongly anti-Souvanna, may react to such a deal by making a coup himself.)

4. Tshombé apparently backing out of his agreement to participate in Congolese parliament meeting

Safely back in Elisabethville, Tshombé on Monday denounced the central government. A Katangan boycott of the meeting would increase Gizenga's relative voting strength. Gizenga says he will not personally attend unless sure of a majority.

5. Further comment on Israeli-Syrian Border incidents

American officials on the scene, as well as UN officers, are taking a serious view of the current flare-up. Better Syrian troops are now manning the border and seem more willing to take on the Israelis. A major clash is not unlikely. (map on last page)
6. Moscow consolidates victory over Peiping in Indian Communist Party

The right and center leaders of the party, who are committed to a "peaceful, parliamentary" policy, took four of five places on the new politburo chosen last week. (In the outgoing body they had a shaky five-four majority). These changes follow from a rightist victory over the pro-Chinese left at the party's congress in April.

7. Cuban military pilot training in Czechoslovakia

pilots completed training in June, and more are expected from Cuba.
NOTES

A. Chaing's government has ordered detailed military planning for an attack on the mainland early next year, with "mobilization" to begin about 1 August. These activities could indicate desperation on the part of the Chinese, as well as an effort to bring pressure on Washington. The Nationalists could hardly hope to conceal such preparations either from the US or from the Communists for very long.

B. The French are expressing to State their strong disapproval of the US-Soviet bilateral-disarmament talks.

C. There have been no further major developments regarding Kuwait. Qasim is mobilizing Iraqi opinion to support his claim, while Kuwait is mobilizing foreign opinion against it. Early bloc reaction is embarrassed.
1. Khrushchev has stated publicly his intention to sign a separate peace treaty with East Germany by the end of the year and to transfer access controls to the GDR. We do not believe, however, that the USSR has as yet reached an irrevocable decision, since the formal Soviet position is that a separate peace treaty is contingent on a failure to reach agreement with the Western powers. In any event, Khrushchev has indicated that he will not take any action on a peace treaty until the Party Congress in October. There is some evidence moreover, that Khrushchev would defer a separate treaty if negotiations were begun before his announced deadline.

2. In an effort to increase pressure on the West to initiate a new round of negotiations, the bloc can be expected to take advantage of activities in West Berlin, such as the all-German church congress and Chancellor Adenauer's visit, in order to agitate the Berlin question. In this connection, there may be sporadic harassment of civilian access to Berlin and movement within the city.

3. We anticipate a period of sharply increased tensions over Berlin during the coming weeks.