THE PRESIDENT'S INTELLIGENCE CHECKLIST

6 JULY 1961
TOP SECRET
1. Kuwait situation unchanged

The anticipated anti-British reaction has set in.

2. Ulbricht presents East German "peace plan"

Highlights of initial press reporting:
a) "Everything will be peaceful--but there will be no delay";
b) West Berlin will be a "demilitarized, neutral, free city" ("neutral" appears in the formula for the first time)

3. Strong Moslem response to the Algerian rebels' "day of struggle"

A French official has admitted that Moslem support for the rebels is "total." The rebels' resolve to insist on the indivisibility and territorial integrity of Algeria will be stiffened; we expect more militant use of the Moslems if the French try to enforce partition. Rebel leaders now doubt that talks with the French will resume as soon as 10 July.

4. Burma has decided to accept delivery of Soviet military aircraft.

The Soviet offer was apparently made last April during General Ne Win's visit to the USSR.
5. Congo developments.
   a) The UN continues to push for a parliament meeting soon.
   b) Leopoldville leaders are resisting, unwilling to risk a vote when anti-Gizenga forces are disunited.
   c) Although Kasavubu has called parliament for 15 July, the actual meeting is likely to be further postponed.
   d) There are more reports of economic difficulties in Stanleyville.

6. Phoumi will ask King to name new government.
   He went to Luang Prabang yesterday. We expect the King--reluctant as always to accept a political role--would prefer to be presented with a government negotiated by the various factions. The government post of Muong Bo, north of Paksane, fell to the Communists on Tuesday. MAP.
NOTES

A. Thompson reports that at his Fourth of July reception he had no chance for substantive discussion with Khrushchev. Khrushchev and others "expressed satisfaction" at the President's reply to their message of congratulations.  

B. A large Soviet naval exercise is underway in the northeast Atlantic; maneuvers in these waters are not unusual.  

C. Tension between Arabs and Africans in Zanzibar remains high and more disorders may occur today.  

D. Afghanistan has protested the US plan to supply F-104's to Pakistan.  

E. Japanese rightists will attempt to assassinate Ikeda. Such plots are endemic. One of the principals, however, successfully assassinated a prime minister in the 30's.
WATCH COMMITTEE CONCLUSIONS - 5 July 1961

On the basis of findings by its Watch Committee, the United States Intelligence Board concludes that:

No Sino-Soviet Bloc country intends to initiate direct military action in the immediate future.

Laos: There are no developments indicative of a change of Communist objectives or tactics with respect to Laos. The ability of the Royal Laotian Government to maintain its cohesion and determination to resist continues to be eroded.

Iraq-Kuwait: Qasim is unlikely to attempt military action against Kuwait in the near future.