THE PRESIDENT'S
INTELLIGENCE CHECKLIST

18 JULY 1961
TOP SECRET
1. Further evidence of discontent in East Germany

A number of farmers are attempting to leave the collectives they reluctantly joined early in 1960. Some party functionaries are demoralized, and the regime is taking a serious view of the situation. Ulbricht plans to make a speech laying down the party line next weekend. The refugee rate is still rising, with over 4,000 coming out between Saturday and yesterday afternoon.

2. Communist-led party will probably win in British Guiana

The election, scheduled for 21 August, will put into effect full internal self-government and is the last move before independence. Jagan, is becoming more open about his Marxist views, and is increasing Communist contacts abroad.

3. Ecuador's views on "good offices" in US-Cuban dispute

Ecuador believes Brazil and Mexico are trying to "elude" joining in a conciliation move. Advise the Cubans to renew direct approaches to both. Ecuador plans to shelve the proposal if Mexico and Brazil do not endorse it.
4. Common Market meeting today

The heads of government are expected to compromise sharply divergent French and Dutch positions on tighter political relations by issuing a manifesto setting a timetable for achieving close ties without spelling out details. The Dutch fear that any further steps would complicate British entry, on which some word from London is expected by the end of the month.

5. Congolese politicians still manoeuvring

We think parliament will finally meet in the next few days, but there is still considerable foot-dragging. Prospects are for a strong Gizenga representation in any government which may be formed. Gizenga's followers appear to have a numerical edge unless the Katanga delegation decides to attend, and are in any case better organized. The session promises to be long and confused.

6. Prospect for stable government in Cyprus not encouraging

Communist gains have forced Makarios' Greek nationalist followers to reorganize their political party. Smouldering differences between Greek and Turkish Cypriots remain, and creation of a Cypriot army is held up by disagreements between Greece and Turkey.
NOTES

A. Bourguiba's gestures against the French base at Bizerte represent a so far carefully-controlled effort to demonstrate that he is not a servant of imperialism. De Gaulle has refused to discuss the issue until the atmosphere calms down.

B. The King of Morocco has dropped his attempt to hasten evacuation of American air bases. He suggests that the US could probably retain some of its communications facilities in return for opposition to UN membership for Mauritania.

C. While the French-Algerian negotiations will be renewed on Thursday, there is still disagreement on organization and procedure.

D. The USSR has contracted with Cuba to supply more than 8000 trucks over the next twelve months. In 1958—the highest year for Soviet truck exports—the USSR shipped about 30,000, two-thirds to Communist China.

E. Krishna Menon's intervention has produced a rather wide split between Canada and India on conduct of the ICC in Laos, which could further limit its effectiveness.

F. Ambassador Farland reports that a Panamanian request for an increased annuity for use of the Canal is likely.