THE PRESIDENT'S INTELLIGENCE CHECKLIST

24 JULY 1961
TOP SECRET
1. East Germans finally move to cut refugee flow

Only 441 arrived in West Berlin through three o'clock yesterday (The total for last Sunday was 1240). We have evidence that Ulbricht has clamped down on movements between East Berlin and East Germany. See Chart)

2. Bizerte developments

a) The cease-fire in Bizerte itself appears to be effective for the moment. The situation in the Sahara is unclear. We have no confirmation of Tunisian claims that the French are landing troops north of Bizerte.
b) The French and Tunisian authorities in Bizerte were to meet yesterday afternoon.
c) International reaction tends to favor the Tunisians.
d) Bourguiba said on Saturday "We were sorry to see Britain and the United States take an attitude similar to that of France." Embassy Tunis suggests Tunisia may be collecting evidence that the French used US equipment.
e) We expect renewed pressure from radical African leaders for early evacuation of US bases in Morocco and Libya.
3. Katanga's "turn to east" progresses

In a press conference this morning Interior Minister Munongo claimed he already had a Soviet response to his statement last week that Katanga was ready to seek Soviet aid. However, Gizenga seems wary of offers from Katanga. He plans to tell Elisabethville to demonstrate good faith by sending the Katangan delegation to parliament.

4. Soviets push proposal to move UN from New York

Since they revived the plan in early June they have been working for support among the Afro-Asians, in preparation for the General Assembly meeting in September.

5. Tito will make major statement on Europe and Berlin to non-aligned nations conference

Yugoslavia, as the only European state in attendance, expects its views on European problems to be given special recognition. Ambassador Kennan has been urged by a high Yugoslav official to discuss the US position with Vice President Kardelj, who will help draft Tito's speech. The present Yugoslav line on Berlin tends to parallel that of the USSR.
NOTES

A. A large Soviet ground-air maneuver in the southwestern USSR so far appears similar to one in 1959.

B. The USSR has announced a reorganization and strengthening of its economic "control" apparatus (auditing, inventory control, inspection of management), probably in response to economic difficulties which have cropped up in the first half of the year.

C. McCloy senses from Soviet behavior toward him that a shift in the USSR's position on the disarmament negotiations may be coming. His analysis of the negotiations to date is also available.

D. There have been no new major developments concerning Laos.

E. Nasir's nationalization laws, announced last Friday, are another step toward what he calls a "democratic, socialist, cooperative society." Essentially they soak the rich by manipulation of the income tax and nationalization of banks, insurance companies and "other" unnamed concerns. (US firms are not involved) The affected businessmen can probably make no effective protest, and Nasir's base of power among the poor will be strengthened, although there may be some disturbance in Syria. A Nasir speech the next day contained nothing particularly new.

F. The build-up for Castro's 26 July celebration now included rumors of a plan to fire a rocket of some sort; we have no evidence that Castro possesses any, but something could be improvised.
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