THE PRESIDENT'S INTELLIGENCE CHECKLIST

ISSUED BY THE

CENTRAL INTELLIGENCE AGENCY

14 OCTOBER 1964

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by 27 October.

1. South Vietnam many bridges to cross, the High National Council now plans to have a provisional government installed

> b. They want to fix on a chief of state by next Tuesday. The chief of state would then designate a prime minister who would in turn form his own government. Both steps of course would require council approval.

c. Under this plan the creation of a national assembly would be deferred for several months.

d. The largest obstacle to this essentially sound scheme is the mutual distrust which still exists between Khanh and the council.

e. Khanh fears the council will come up with a government the military cannot accept; the council fears Khanh will not be willing to give way to another when the time comes.

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f. With Ambassador Taylor, Khanh continues to reiterate that he really wants to be army com-mander so that he can "purify" the armed forces and keep them out of politics for good.





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3. Laos

a. The Laotian Air Force has begun the scheduled series of air strikes against selected targets in central and southern Laos along the infiltration corridor to South Vietnam.

b. As is usual in Laos, the Communists seem to have had advance knowledge. They warned yesterday that, should "massive air attacks" be carried out, "a disastrous war would again occur in Laos."

c. The attacks could foreclose further talks between the Laotian princes in Paris. Souvanna Phouma is there now waiting for Souphannouvong to show up. The latter, however, is in Hanoi and will probably return to Laos.

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d. King Savang yesterday gave his full support to the corridor clearing operations. He made clear that, if renewed military pressure from the Communists results, he assumes there will be a prompt US response.

4. USSR-US

a. As added detail on the incident yesterday morning over La Perouse Strait becomes available, it appears less likely that the US aircraft was fired on by a Soviet aircraft or surface vessel.

c. There were no Soviet surface vessels in the vicinity at the time.

d. All of this suggests that the damage to the patrol plane may have been caused by a mechanical failure in the plane itself.

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5. Cyprus

c. Food stocks in the Turkish community are low and unemployment high. The people, looking tired and beaten, seem to want Ankara to resolve the problem one way or another. 50X1

d. However, they still refuse to give ground on the Nicosia-Kyrenia road and now want the Greek Cypriots to give up control of a road elsewhere before they will yield.

e. There is a danger that Makarios, back from his triumphs at Cairo, will take reprisals if he is thwarted on opening the Kyrenia road.

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Japan – Communist China a. Foreign Minister Shiina considers the normalization of relations between Tokyo and Peiping will be Japan's "highest priority" foreign policy task next year.

b. This may reflect a feeling in the foreign office that Peiping could win a majority vote at the UN in the next few months. Domestic pressures on the Japanese Government to make a move would then rise sharply.

7. Communist China

a. The Chinese Communists, who are trying hard to become selfsufficient in petroleum products, this year will import less than 15 percent of their requirements. They imported some 45 percent in 1961 and 25 percent last year.

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b. The principal deficiency now holding back Peiping's petroleum industry is a lack of modern refining technology. The Chinese have contracted for Italian and German help in this field.

c. Even after the Italian and German experts depart, however, China will still have to import its aviation fuels and high-grade lubricants.

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NOTES 50X1 Β. Pakistan - Communist China Though Pakistani officials say that they have no "present" plan to build a road across the passes to Sinkiang, they admit that the reopening of the caravan route in the area is under active consideration. C. Brazil 50X1 50X1 Goulart is fast losing interest in 50X1 conspiring to return to power in Brazil. 50X1 50X1 50X1

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E. <u>Mozambique-Tanganyika</u> Further trouble may be coming along the border. The Portuguese have reacted to a recent upsurge of terrorism and sabotage, sponsored by the extremist wing of the Mozambique nationalists, by operations to clear the nationalists from the border area. The Tanganyikans have sent reinforcements

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