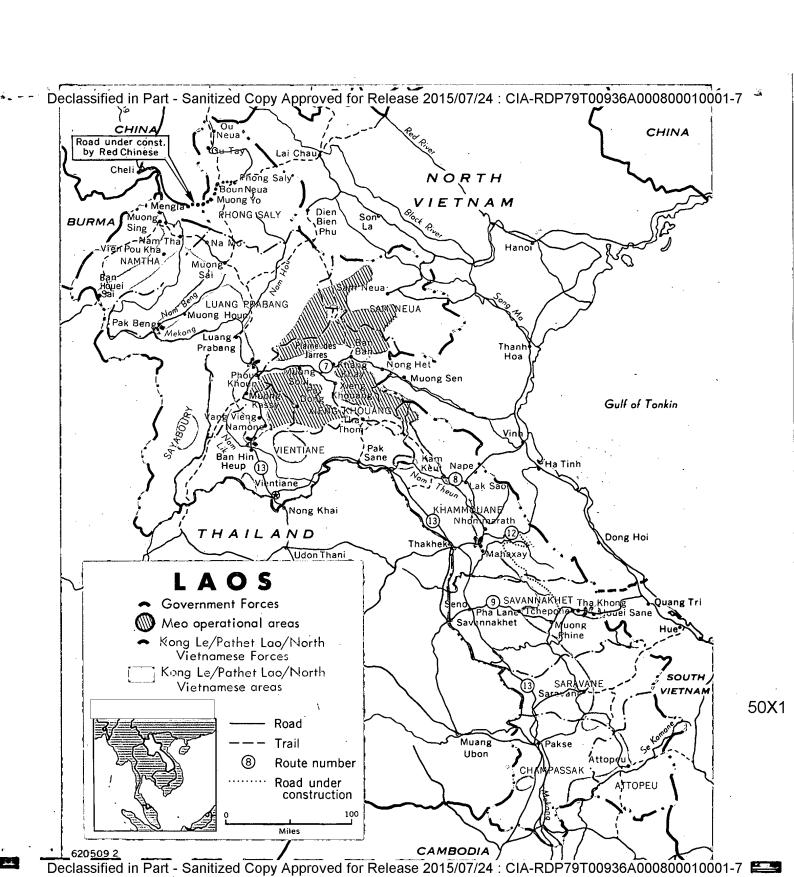
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## THE PRESIDENT'S INTELLIGENCE CHECKLIST

12 MAY 1962 TOP SECRET 50X1



1. Laos	a. The military situation at Ban Houei Sai is essentially the same 50X as yesterday, with the town in enemy hands and the bulk of the Royal Govern- ment forces across the border in Thailand. Phoumi says he will get them back to Southern Laos as soon as possible for "re-equipping and re- inspiration."
	b. Southeast of Ban Houei Sai, other enemy forces are reported to have taken Pak Beng and now control the north bank of the Mekong for about forty miles to the east. At least one small group has crossed the
	c. Our people in Vientiane are worried over the exposed position of 50X the garrisons at Savavane and Attopeu, in the extreme south. Both places are logical targets, for their fall would improve the infiltration route into
	d. Souvanna says that Phoumi's latest communication—offering to surrender the defense and interior ministries if they are set up on a 50X1 "troika" basis—is "good news." The site of a new Three Princes' meeting has yet to be agreed on, but Souvanna indicates that he is ready to return

e. Vientiane yesterday declared "a state of siege and general mobilization," a move which could result in some psychological shoring-up but will have no effect on the government's military capabilities. f. Also yesterday, King Sayang

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50X1

2.	Paris despairs of crushing OAS	The De Gaulle government's hopes for bringing the terrorists under control before the referendum on independence are ebbing fast. With persuasion a failure, the French concede, as does the Provisional Algerian Government, that a last resort—orders to the army to go all out against the Europeans—would more likely than not split the army wide open. They agree also, and with nearly equal misgivings, that following the referendum, which may take place late next month, the job of suppressing the OAS will pass into Moslem hands.	50X
3.	Refugees from Com- munist China swarm- ing into Hong Kong	The flow of illegal border-crossers climbed from 200 a day at the beginnin of the month to 1200 on Thursday.	
		The Chinese border guards, by sitting on their hands, are reinforcing the impression of a breakdown of Chinese discipline in the area.	

4.	Traditionalists gain	We have known for some time that
- •	edge in Soviet military	the hallowed Russian credo on the
	debate	necessity for mass armies has been
		challenged in the military high-
		command by nuclear and missile warfare enthusiasts. Signs that the traditional-
		ists are on top came in two recent
		developments: the promotion of two
		of their number to Marshal's rank
		late last month, and an article
	·	published yesterday by the ranking
		military newspaper setting out the
		doctrine that the next war, though it will entail the use of nuclear
		weapons and missiles, will still be
		fought by multimillion-man armies.
5.	Unrest in Iberia	a. The Spanish government's
		headaches are increasing. Not only
	2	has it failed to check the wave of
		strikesillegal in Spainby offering
	·	wage concessions, but it is now con-
		fronted by "sympathy" demonstrations
		by university students who see a chance to unburden their own political
		grievances.
		b. The student protests in Portugal
		likewise show signs of taking on a
		more distinct political coloration.
	·	Salazar, 5
		worn down physically and mentally by the recent troubles, is thinking
		of bowing out before long.

· ·		
6. Morocco	a. Another shipment of Soviet	
·	small arms and ammunition	50
	has reached	
	Morocco. This shipment, like the	
	last, also includes helicopters which	
•	are probably earmarked for Algeria.	•
	b. There are indications that	
	some of the Soviet-supplied arms are	
,	being funneled to Mauritanian dis-	
· ·	sidents who have been carrying out a	
	series of commando raids against the	50
	Mauritanian government from bases in	
	Mali.	
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## NOTES

A. The simmering Argentine political crisis is threatening to bubble up again. Members of President Guido's cabinet are pressing him to advance the date for new elections, a move which the military could be counted on to veto.

50X1

- B. Adzhubey told Ambassador Thompson yesterday, as the two awaited Mr. Salinger's arrival at a Moscow airport, that the USSR would not only resume testing but would set off a "really big" bomb. He added in effect that the Soviet theme song will be "everything you can do, we can do better."
- 50X1
- C. A nationwide dock strike, capable of tying the British economy in knots, will begin on midnight Sunday, unless a last-minute mediation attempt by the government is successful. The odds in favor of agreement appear to be better than even.

50X1

D. Soviet warships are being outfitted with surface-to-air missiles We think it is safe to assume that a fairly extensive program of this nature, which would enable the warships to operate with little or no air cover

50X1

50X1

50X1

E. The Ecuadoran military, not fully placated by President Arosemena's break with Cuba, are trying to force further anti-leftist measures on him. Arosemena, who is holding out more from stubborness than anything else. may move instead to purge the military.

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50X1

50X1

F. The rate of Viet Cong infiltration into South Viet Nam is again moving upward, after several months of decline, and may be heading toward/last summer's level of 500-1,000 men a month.

Comments

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	DOCUMENTS OF INTEREST	
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THE DIRECTOR OF CENTRAL INTELLIGENCE