

THE PRESIDENT'S INTELLIGENCE CHECKLIST

14 JUNE 1962

~~TOP SECRET~~

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1. Taiwan Strait

Chinese army and air force units continue their move into South China opposite Taiwan; we now think that at least six divisions are involved.

[redacted] while still falling 50X1 short of providing confirmation, have nevertheless strengthened our suspicions that Chinese submarines have also been deployed in the Strait area.

2. Laos

a. The first steps to implement Tuesday's agreement are set for today when Souvanna is due to report to the King in Luang Prabang, and Phoumi to the National Assembly in Vientiane.

b. In the meantime, our side is doing everything possible to persuade Souvanna to attend the Geneva conference which we are aiming to reconvene on 2 July.

3. Communist China - Cambodia

[redacted] 50X1

4. Non-aligned nations meetings

a. A "summit meeting" of the Casablanca Powers (sans Nkrumah, who is staying home to run a "world peace assembly") is to convene tomorrow in Cairo to consider ways and means of fostering African unity. We look for Nasir to dominate the show and to use it as a sounding board for promoting his current pet project--next month's economic conference of unaligned states.

b. Meanwhile, several states that are to participate in the economic conference have formally invited Cuba to attend. [redacted]

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5. USSR

[redacted] missile was successfully launched [redacted]

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6. Peru

The final outcome of Sunday's election remains up in the air, but latest press reports indicate that the back country vote, now coming in, may have turned the tide in favor of Haya de la Torre. [redacted]

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7. USSR-Sudan

In their eagerness to conclude a civil air agreement, the Soviets are reportedly prepared to bow to Khartoum's insistence that non-Sudanese crews (presumably even Americans) be allowed to fly its planes over Soviet territory. With this major roadblock out of the way, a final agreement is likely to be buttoned-up before very long.

USIB WATCH COMMITTEE MEETING

13 June 1962

The Committee reaffirmed its conclusion that no Sino-Soviet Bloc country intends to initiate direct military action in the immediate future, but gave close attention to the sharp buildup of Chinese Communist ground force strength in areas adjacent to the Taiwan Strait. It advanced several explanations for this buildup, including: a) the strengthening of defenses against the possibility of Nationalist operations against the mainland; b) preparations for offensive action against the offshore islands; c) a desire to divert the attention of the US away from the Southeast Asian theater. In reaching its primary conclusion, the Committee

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noted that the activities of the Soviet and satellite armed forces appeared normal, and examined the current situations in Berlin, Laos, and Indonesia. On Laos, the Committee foresees the present de facto division of the country continuing for some time, despite the recent agreement of the three princes.

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NOTES

- A. In South Korea, the sloppy handling of the recently decreed currency devaluation is arousing popular distrust of the government, thus adding a new element of uncertainty to the uneasy situation there.
- B. With expenditures steadily rising and revenues declining, Iran is getting into a financial bind which will probably stimulate Tehran to ask for emergency US assistance, perhaps within the next couple of weeks.
- C. Adenauer, anxious to see some measure of European political unity achieved before he leaves the scene, is saying that if the Benelux countries continue to hang back, a start should be made by the formation of a Franco-German-Italian union.
- D. President Macapagal has twice, in the last fortnight, publicly addressed himself to US-Philippine relations in distinctly conciliatory tones, giving rise to hopes his administration will dampen-down the anti-American sentiment it has helped to arouse during the past few weeks.

THE DIRECTOR OF CENTRAL INTELLIGENCE