1. Berlin

The East Germans are continuing to behave as though they are expecting rising tension in Berlin. Since last Friday there has been a marked increase in their construction activities along the sector and zonal borders of the city. Aerial reconnaissance reveals that they have stockpiled construction materials along the length of the borders. Over the weekend, the armed workers' militia went through an exercise close by the Wall, where they have not been seen since last August.
Ambassador Dean is having heavy going with the British on the new US proposal. The British argue that we will not be able to get off the ground at all unless we give figures---single-digit ones--- for the number of control posts and on-site inspections we want. Barring this, they say, we should go for a treaty which covers atmospheric, underwater and outer-space, but not underground, testing. Dean thinks that the British are working from a scientific assessment different from ours and that he will have to close that gap before he can bring them around.
NOTES

A. Another test of strength between President Goulart and the conservative Brazilian congress should occur later this week. Goulart plans to ask the congress to remove many of the checks it has placed on the executive power and is giving some thought to closing down the congress if he is refused.

B. Sukarno has told Ambassador Jones that his decision on accepting the West New Guinea agreement is solid and that Subandrio will leave for New York next Thursday for the formal signing.

Portion identified as non-responsive to the appeal
THE DIRECTOR OF CENTRAL INTELLIGENCE

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