

SECRET

CRC Budget

9 June 1961

## MEMORANDUM FOR THE RECORD

SUBJECT: Planning for JMATE Activities

1. Mr. Esterline, C/WH/OPS, stated 8 June 1961 that the Special Group had met on that date and, in addition to the Nicaraguan paper, had considered the paper prepared by Branch 4 on 7 June, entitled: Policy Decisions Required for Agency Relationships with the CRC and Other Cuban Exile Groups. The decision of the Special Group was to negotiate this matter with State and bring the subject back to the Group later.
2. Mr. Esterline stated that he had discussed this matter with Mr. Bissell who would like to have by next Monday night, 12 June, a re-write of the paper of 7 June. Mr. Esterline discussed the re-write at some length. Basically what Mr. Bissell apparently wants is a memorandum forwarding three or perhaps four individual memoranda covering the same three subjects which we presented before plus perhaps Swan Island. Mr. Bissell wants it spelled out more clearly why a major part or all of the support to the respective activities must be overt. In the event that we consider, which we probably should, all the pros and cons in this matter, we should spell out who the funds come from, the delicate point of if the funds come from the Agency, should the Agency then have a review responsibility over the Department of State in its distribution of said funds. On the other hand, if we do not have a review function, then we must be, in writing, relieved of responsibility once we have turned over said funds. This, of course, will bring out the basic inconsistency in the Agency's being involved.
3. Mr. Bissell said that he had looked at our budget again and was not satisfied with it, and accordingly it would have to be rewritten -- his main objection being that he does not want the items for support of the CRC and related entities mentioned in the preceding paragraph included in said budget. He also commented that in our presentation, presumably referring to the presentation of paragraph 2 above of the budget of the CRC, he did not want a breakdown of FRD items, but rather one whole budget for the CRC.

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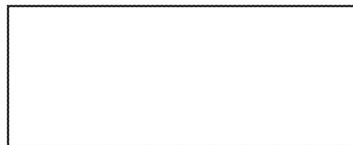
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4. Mr. Bissell also apparently informed Mr. Esterline and Colonel King that the proposal to move from JMCAPE to an adjoining area alongside JMRIM had been disapproved because of the strong opposition of the Office of Communications and the Central Cover Group. Accordingly, Mr. Esterline is now willing to go along with the recommendation we made last week and which was approved in writing by Colonel King that a team be sent out as soon as possible to the Florida area to attempt to assess the problem and find a new suitable location or locations.

5. Mr. Esterline stated that there had also been some discussions with Mr. Bissell and Colonel King on maritime assets and that they would like to have as soon as can be prepared a paper on the subject of maritime activities, including the financial and any other pertinent aspects, and activating of the 85-foot craft which had previously been discussed with the PM people. Mr. Esterline stated that he would also like to have a paper on the subject of possible sabotage school sites and factors affecting the reopening of Randolph.

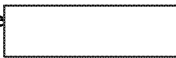
6. Comment: It is abundantly clear that, for political reasons, the Special Group is not prepared to make any decision on the CRC matter and this re-write job is strictly busy work. Accordingly, no significant changes in our previous position seem to be indicated.



DC/WH/4

REW:dla (9 June 1961)

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