

OK

18 October 1961

MEMORANDUM FOR THE RECORD

SUBJECT : Discussion with Mr. Barnes concerning
A. Sabotage Operations
B. Relations with the CRC

PARTICIPANTS: Messrs. Barnes, Esterline, Zogby, [redacted]
Colonel Johnson, Mr. Schreyer (during discussion
of Item A only)

1. Mr. Schreyer began the meeting by citing the various papers presented to the Special Group since July on the subject of sabotage. He also referred to his notes and the Director's notes on said meetings. He pointed out that, from a legal standpoint, there was some question as to whether we are authorized to engage in minor sabotage activities without reference to the Special Group. It is clear that, with regard to major sabotage, the Special Group must be consulted. The lack of clarity in connection with minor sabotage results from the phraseology in those paragraphs prefacing the paragraphs concerned with sabotage in the Agency's paper submitted in July. In substance the preface states that organized internal groups will be established; then, subsequent paragraphs say minor sabotage will be planned. From a legal standpoint, some question might accordingly arise as to whether unilateral minor sabotage operations could be conducted. Against this contingency Tom Parrott specifically advised General Maxwell Taylor on Saturday noon of the two operations then running. General Taylor offered no objection. Mr. Barnes said that he would take this matter up with the Director and recommend that, just to keep the record straight, the Director should mention it at the next meeting of the Special Group.

2. Colonel Johnson then presented his report on Dr. F. I. ... Carsons on Monday. After some discussion, Mr. Esterline asked Colonel Johnson if he felt that Dr. MIRO really believed that he had authorization from the White House and the State Department to take over the collateral groups as well as any internal groups, including

their sabotage and resistance type activities into Cuba. Col. Johnson said that he felt that this was Dr. MIRO's belief, but MIRO realized there might be some exceptions. In certain areas Colonel Johnson felt that some support could be given to specific CRC activities; for example, propaganda activities like "Operacion Grieta." Col. Johnson continued that MIRO seemed to offer an alternative to CONTE AGUERO as head of the CRC propaganda section and, contrary to information from WAVE, Dr. MIRO did not appear to be insistent on the removal of Paula as accountant.

3. Mr. Esterline brought out the fact that MIRO had been assured that he has a \$1,000,000 fund during the course of the next year with virtually no strings attached, and a license to come back and ask for more. Mr. Esterline felt, if the Agency accepted the responsibility for passing these funds to MIRO, that we would be accepting also the responsibility for the possible misuse of these funds. Moreover, given the fact that MIRO will be taking guidance from Goodwin and Hurwitch, the element of control which might otherwise have been exercised through auditing of accounts and then making recommendations would be virtually non-existent. Mr. Barnes stated a similar point of view, and remarked that this would have to be taken up at a higher level at once. He then reviewed the developments of the last few months which have made the Agency's position very delicate. Mr. Esterline remarked that the potential misuse by MIRO of funds could become a source of embarrassment to the Administration.

4. Mr. Barnes then discussed the alternative channels for taking up this matter in the absence of Mr. Bissell and Mr. Woodward. He said he personally felt the Agency was virtually faced with a decision here of either insisting that it be the channel to MIRO and at its discretion the channel to other Cuban groups, or we might refuse the responsibility for any type operations beyond straight FI-CI. A decision in this area, he remarked, rests with the DCI. Mr. Barnes then suggested that, after touching base with State, he, Mr. Esterline, Mr. Zogby, and perhaps Colonel Johnson should endeavor to arrange an appointment with Mr. Goodwin in the White House and at that meeting simply discuss informally the entire situation of the CRC.

Acting Chief, WH/4

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