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27 October 1961

MEMORANDUM FOR: A/DDP/A

SUBJECT : Monthly Subsidy Payments for Administrative Support of the Cuban Revolutionary Council (CRC)

- 1. This memorandum requests action on the part of the A/DDP/A.
- 2. In September 1961, Dr. MIRO Cardona, head of the CRC, was promised by higher authorities that the CRC would be provided somewhere in the neighborhood of \$1,000,000 per year for its basic administrative budget. WH/4 makes the monthly deposits for this administrative support on or about the last day of each month for the following month; therefore, the next deposit for the CRC for November 1961 is due on 31 October.

3. Our payments to date in FY 1962 to the CRC for administrative support are as follows:

Jul 1961	-	\$151,000
Aug 1961	-	150,000
Sep 1961	-	135,000 (includes \$10,000 for MIRO's jurist faction for Aug & Sep)
Oct 1961	-	<u>100,000</u>
Total	-	\$536,000

4. Possible considerations for future monthly payments for the CRC are:

- a. If we are to use the present fiscal year as a basis for applying the \$1,000,000 annual budget limitation for the CRC, since \$536,000 has been passed to date, \$464,000 remains for support for the CRC for the next eight months of the fiscal year. This would amount to a monthly subsidy of \$58,000 for the remainder of the fiscal year.

SECRET

SECRET

- 4 -

b. If we consider that the \$1,000,000 annual support level for the CRC was to be effective after September (beginning with a deposit for October) on a calendar year basis, we have given the CRC \$100,000; and, our average monthly payments for the next eleven months would be approximately \$81,500.

c. Paragraphs a. and b. above outline two considerations of the CRC monthly payments based on a \$1,000,000 annual level. However, there appears to be a general consensus that the CRC's administrative budget is excessive in view of the extremely limited activities of the group and that the CRC's administrative support should be set at a lower annual level than the \$1,000,000 presently in effect.

5. Since the deposit for administrative support of the CRC for November 1961 should be made within the next few days, your guidance is requested as to the amount of support that should be granted; for example:

a. Shall we continue at the \$1,000,000 level pending further discussions on this matter,

b. Shall we cut back to \$81,500 based on considerations in Paragraph 4. b. above,

c. Shall we cut back to \$58,000 based on considerations in Paragraph 4. a. above,

d. Has there been any decision made on any other amount for this deposit?

6. Your immediate consideration of and guidance on the monthly support for November and future payments for the CRC, as outlined in Paragraph 5 above, is requested.

J. C. KING
Chief,
Western Hemisphere Division

SECRET

SECRET

- 3 -

DDP/WH/4/Plans/FW Darkley:hh (27 October 1961)

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SECRET