

DRAFT - MDC
11/14/78
Betsy Palmer

~~CIA HAS NO OBJECTION TO
DECLASSIFICATION AND
RELEASE OF THIS DOCUMENT~~

RETURN TO CIA
Background Use Only
Do Not Reproduce

BOX 24
FOL 42
2

MOVIMIENTO DEMOCRATA CRISTIANO (MDC)

After Castro's assumption of power in 1959, it became evident to many Cubans that political parties were being suppressed and the 26th of July Movement was being infiltrated by Communists. This political atmosphere gave rise to the creation of underground organizations such as the Christian Democratic Movement of Cuba (MDC).¹ Proclaiming the doctrine of Christianity as its foundation, the MDC published a manifesto in March, 1960² denouncing Communism and strongly advocating the free enterprise system.³ One of the founders of the MDC, 35-year-old law professor, Dr. Jose Ignacio Rasco, was elected head of the organization⁴ and immediately criticized the violence prevalent in the Castro regime.⁵ This public criticism produced pressure on him to leave Cuba and he arrived in Miami on April 22, 1960.⁶ By June, Rasco had allied himself and the MDC with the Frente Revolucionario Democratico (FRD)⁷ and thus became one of the five original exile Cuban leaders brought together by the State Department and the CIA to form the nucleus of a Cuban government-in-exile.⁸

After the Bay of Pigs invasion, the MDC split into factions.⁹ Rasco remained head of the largest faction and organized delegations in Miami, New York, Chicago, Venezuela and Cuba.¹⁰

**THIS COPY IS NOT
FOR RELEASE.**

The clandestine faction operating in Cuba was lead by Pepin Fernandez Badue who used the alias "Lucas".¹¹ When Fernandez arrived in the U.S. in October, 1961, he presented his credentials to the Cuban Revolutionary Council, (CRC), claiming he was the representative of the MDC movement in Cuba.¹² Council president, Dr. Miro Cardona, accepted him into the CRC hierarchy.¹³ The "Lucas" faction remained with the Council but its role was ineffectual because Fernandez eventually failed to hold the group together.¹⁴

The "Rasco" faction of MDC had as its Military Chief an independently wealthy young Cuban, Laureano Batista Falla.¹⁵ Free-spirited and under no financial pressures, Batista Falla organized and partially financed the infiltration attempts of the MDC.¹⁶ It was one of the most active and effective underground groups in Cuba during the early 1960's.¹⁷

From 1960-1962,¹⁸ ²⁴ Batista Falla ²⁴ was associated with the CIA ²⁴ [as a "political and psychological agent."]¹⁹ He trained at the CIA-sponsored camp for the MDC near Perrine, Florida, prior to the April 1961 invasion²⁰ and made many trips from this camp to deliver explosives, guns and ammunition to the Cuban underground.²¹

At that time, most underground groups worked together, sharing supplies and information.²² However, the repressive measures of the Castro regime after the April 1961 invasion caused members of the Cuban underground to live in fear of



discovery and made inter-group liaison extremely risky.²³
Despite the inherent dangers, the underground movements of
the MDC and Movimiento Revolucionario del Pueblo (MRP)
worked jointly for an all-out sabotage effort in the fall
of 1961.²⁴

The "Batista" faction of the MDC (so named after the
youthful military chief rose to the position of president
in 1962)²⁵ entered into similar cooperative alliances with
other exile groups for the purposes of propaganda, sabotage
and supplying the Cuban underground. Many MDC members joined
the Cuba Committee in 1962 which was formed to counteract
the propaganda of the Fair Play for Cuba Committee, a pro-
Castro organization in the U.S.²⁶ The MDC and the Directorio
Revolucionario Estudiantil (DRE) worked together to formulate
plans for an underground organization to infiltrate Oriente
Province.²⁷ The active operations between the MDC and other
anti-Castro groups peaked in the year 1963. One involved
the MDC, the Movimiento Insurreccional de Recuperacion
Revolutionaria (MIRR) and the Movimiento Recuperacion
Revolutionaria (MRR). In April, Frank Sturgis, Miami-based
soldier of fortune, supplied information that Batista Falla,
Orlando Bosch Avila, Manuel Artime and Alexander Rorke were
jointly planning an air strike over Havana on April 25.²⁸
According to Sturgis, the strike was to originate from an
airstrip in Puerto Rico and the target was a sugar refinery.²⁹
The bombs were homemade, assembled by Batista.³⁰ Rorke

publicly announced that the strike had taken place as scheduled, which took the other planners by surprise.³¹ Sturgis claimed the strike was still in the planning stage and financial backing had not been completed.³² This incident created a stir and resulted in an intensive FBI investigation of Rorke's allegation.³³ Since Radio Havana, contrary to usual policy, made no immediate protest over the bombing,³⁴ the FBI concluded that Rorke's story was probably untrue³⁵ and, according to Sturgis, merely a publicity stunt.³⁶

In early June, 1963, the MDC made a unity pact with Commandos L in which the latter group was to provide training and assistance in military intelligence and the MDC to provide three small boats and a team of men to infiltrate Cuba.³⁷ The MDC also made a pact with Dr. Carlos Prio Socarras, former President of Cuba who donated \$50,000 to the group for military aid in return for its promise of political support.³⁸

Richard Rudolph Davis, a Cuban alien,³⁹ had a peripheral association with the MDC through his contact with Batista Falla in the summer of 1963. This association was noted in Book V, Final Report of the Senate Select Committee to Study Governmental Operations.⁴⁰

Davis was residing in New Orleans and, although not an MDC member, claimed to have once been a "coordinator" for the group and the New York Police Department.⁴¹ He was a friend

of Batista Falla and contacted him because, he said, Batista Falla was in a position to recommend men in the Miami area who needed work.⁴² Davis claimed he could provide employment for a small group of Cuban emigres. He said he had entered into a business deal with geologist David L. Raggio and a wealthy, right-wing New Orleanian, Gus de LaBarre, forming the Guatemalan Lumber and Mineral Corporation.⁴³ It was their intention to train the Cubans on some land in Lacombe, Louisiana to which De LaBarre had access through his nephew, Frank de LaBarre.⁴⁴ After a necessary training period, the group was to be sent to Guatemala to cut mahogany trees, he claimed.

A group of about 18 Cubans did arrive in New Orleans in the summer of 1963. Leading them was a well-known Cuban exile, Victor Paneque⁴⁵ who used the military code name of "Commadante Diego".⁴⁶ Paneque was closely associated with Batista Falla in the military activities of the MDC.⁴⁷ Davis later admitted to the FBI that the men had arrived dressed in khakis⁴⁸ and thought that they were to receive military training.⁴⁹

In the latter part of July, 1963, the FBI conducted a raid on property near that of the "lumber company" training camp. The Bureau seized a cache of dynamite and other explosives.⁵⁰ This raid, according to Davis, unnerved his trainees, and they elected to return to Miami.⁵¹

A somewhat different version of this episode comes from Gus de LaBarre's nephew and attorney, Frank de LaBarre, who first related his story in 1966 to his former law school classmate, Jim Garrison.
52

De LaBarre said his "Uncle Gus" had introduced him to Davis, whom De LaBarre described as a "floater." They came to see De LaBarre about drawing up articles of incorporation for the Guatemalan Lumber Company and that is when he says he learned of their plans to bring unemployed Cubans from Miami to train as lumberjacks. Uncle Gus sent provisions to the exiles on a daily basis and solicited money for food and clothing from friends and relatives.
53

Although he suspected that military training was being conducted at the camp, Frank de LaBarre said he didn't pay much attention to the activities of the group. However, when he heard on his car radio that the FBI had seized a cache of ammunition at a house in Lacombe, he immediately called his uncle. Although receiving assurances that the lumber group was not involved, De LaBarre called the officers of the corporation together and insisted that the Cubans be taken out of there. Davis, however, told him that the Cubans did not want to leave, whereupon De LaBarre said he had to do some real "brainstorming." He rented a Hertz ton-and-a-half

truck and instructed Davis to take it to the camp and tell the Cubans "that the invasion is on." Davis complied, and the Cubans loaded their gear, jumped in the truck and were brought to the Greyhound bus terminal in New Orleans. Each was given a one-way ticket to Miami plus a small amount of cash and told they would get their orders when they reached Miami. Looking as though ready for war, with knapsacks and guns bulging from under their clothes, they boarded the bus. That was the last, De LaBarre said, he saw of them.

The last he heard of Davis, he said, was in 1964 when one of De LaBarre's friends reported he had gone into business with Davis and was left with a lot of bills.⁵⁴

Other than providing the manpower for the training camp, Batista Falla was not involved in this episode or was the MDC as an organization.

Concurrent with his involvement with leaders of other exile organizations, Batista Falla was dealing with foreign governments in an effort to gain support for his faction of the MDC. After the World Congress of Christian Democrats in Strasburg, France, two West German officials of the Christian Democratic Party conferred with the MDC in Miami.⁵⁵ According to one of the officials, the West Germans, after months of study, had decided to help finance the MDC, not because they were particularly fond of them, but felt once Cuba was liberated

the Cubans would have a moral superiority over the rest of Latin America.⁵⁶

Another offer of help came from Luis Somoza, former President of Nicaragua, who provided the MDC a base for operations in that country.⁵⁷ Venezuelan President, Romulo Betancourt, allegedly also offered to make a base available for the MDC and provide it with personnel and supplies.⁵⁸ Recognizing that these Latin American bases of operation were important to the MDC, Batista Falla nonetheless preferred to work out of the Miami area. Its proximity to Cuba, good facilities for operating boats and the availability of a large number of Cubans to serve as mechanics and do other necessary labor made Miami more desirable than the Latin American facilities.⁵⁹ The major drawback in Miami was the presence of U.S. government officials determined to strictly enforce the Neutrality Act and other Federal statutes.

U.S. Customs raided MDC headquarters in Miami on April 21, 1964 and confiscated a large cache of arms and ammunition.⁶⁰ Undeterred, the MDC simply relocated the military section in separate headquarters, continued to store materials for infiltration and attack missions against Cuba,⁶¹ and conducted study courses in military training and theory.⁶² In July, Batista Falla and Victor Paneque infiltrated men

and equipment into Cuba to form a nucleus of guerrilla bands who, once they got adequate arms and ammunition, planned to go into the mountains of Cuba.⁶³

The MDC eventually suffered the fate of other anti-Castro organizations -- finding it increasingly difficult to finance infiltration and sabotage missions, and experiencing increased surveillance by U.S. authorities determined to limit their activities. The organization's activities gradually declined, Batista Falla eventually gave up his anti-Castro activities, moved to Washington, D. C. and received a doctoral degree in political science.⁶⁴ In the spring of 1970, he moved to Venezuela.

FOOTNOTES

MOVIMIENTO DEMOCRATA CRISTIANO (MDC)

1. CIA/Deputy Director Operations, Movimiento Democrata Cristiano (MDC) Volume 3, Objectives of MDC
2. Ibid
3. HSCA #009538, Item 4, p. 2, FBI #105-87909-5, 1/30/61)
4. Ibid
5. CIA/DDO, MDC Volume 3
6. HSCA #009538, Item 4, p.2, FBI #105-87090-5, 1/30/61
7. Ibid
8. Give Us This Day by E. Howard Hunt, Popular Library Edition, pp. 43-44.
9. CIA/Domestic Contact Division document, ^{OS} [Jose Ignacio Rasco] Information Report 00-K-3,233,366, 8/16/62
10. Ibid
11. Ibid
12. Ibid
13. Ibid
14. HSCA Security File #092, Senstudy Document, Volume 32, Item 1, #97-4110-72
15. Ibid
16. HSCA #009303, FBI #97-4623-149, Section V
17. HSCA Security File #092, Senstudy Document, Volume 37, Item 4, #105-95461-15, p. 4
18. HSCA #009303, p. 6, FBI #97-4623-149, Section V
19. CIA/Office of Security, ^{OS 24} [Laureano Batista Falla, Operational Approval form]]
20. HSCA #009303, p. 4, FBI #97-4623-149, Section V

2/M

21. Ibid
22. HSCA Security File #092, Senstudy Document, Volume 37, Item 4, #105-95461-15, p. 4
23. Ibid p. 2
24. Ibid
25. HSCA #009303, p. 8, Item 4, FBI #105-183815
26. CIA/DDO, MDC Volume 3, Cable to Director from JMWAVE, #14986, 6/21/62
27. CIA/DDO, ^{os} [Laureano Batista Falla] Information Cable TDCS DB 3/660-090, 3/14/64
28. HSCA #009303, p. 1, FBI #9704623, Section 1
29. Ibid
30. Ibid p. 5
31. Ibid
32. Ibid
33. HSCA #009303, p. 3, FBI #97-4623, Sections II through VI
34. Ibid p. 3, FBI #97-4623, Section IV
35. Ibid p. 2, #97-4623-35
36. Ibid p. 2, Item 1 (9), FBI #97-4623
37. CIA/DDO, MDC Volume 5, Information Cable [UFG-3536] 9/3/63
38. Ibid
39. HSCA #012981
40. Book V, Final Report, Select Committee to Study Governmental Operations with respect to Intelligence Activities, United States Senate (SSCI). On page 12 of the SSCI, the group of Cubans connected with the Guatemalan Lumber Company project are identified as the same group arrested when the FBI raided and seized dynamite on property in Lacombe, Louisiana. It should be noted that the FBI



raid occurred on July 31, 1963 at property owned by William J. McLaney, whereas the Guatemalan Lumber Company trainees were on property owned, according to Frank de la Barre, by a friend of his. Although de la Barre did not mention the name of the owner, the FBI Report from Miami, Bufile #2-1821 Section 33 lists the names of the Cubans arrested on McLaney property and Victor Paneque was not among them.

41. HSCA #012981
42. Ibid
43. Ibid
44. Ibid
45. Ibid
46. HSCA Security File #092, Senstudy Volume 32, Item 2, #97-4110-123, p. 2
47. Ibid
48. HSCA #006716, p. 4, FBI, Richard Rudolph Davis, Volume 1 Report from New Orleans, 7/3/64
49. Ibid p. 2
50. Ibid
51. Ibid
52. HSCA #012981, Fonzi memo 9/6/78
53. Ibid
54. Ibid
55. CIA/DDO, MDC Volume V, Information Cable [UFG-4531,] 1/29/64
56. Ibid
57. CIA/DDO ^{CS} [Laureano Batista Falla,] Volume 1, Information Report CSDB-3-655,718, 7/26/63



58. CIA/DDO ⁰⁵ [Laureano Batista Falla] Volume 1, Information Cable TDCS-DB-3/658,177, 11/14/63
59. HSCA Security File #092, Senstudy Document 33, Item 1, #97-4110-86, p. 13
60. Ibid, Volume 32, Item 2, #97-4110-123, p.1
61. Ibid
62. Ibid, Volume 33, Item 2, #97-4110-132, p.2
63. Ibid
64. HSCA #009303, p.7, Item 3, FBI #97-4110-207, Report from Miami, 1/28/70

1/28