C01262720

Approved for Release: 2015/04/10 C01262720

JOHN MCCONE As Director of Central Intelligence 1961–1965

DAVID ROBARGE
CIA HISTORY STAFF



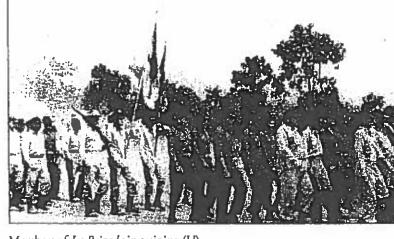
CENTER for the STUDY of INTELLIGENCE

Approved for Release: 2015/04/10 C01262720

SECRET/

Into the Cuban Crucible (1): Covert Action against Castro (U)

some invaluable assets which might well be committed for such an effort." McCone asked Lansdale if CIA's "operational people were aware of this. I told him that we had discussed this, that they agreed the subject was worth vigordevelopment, and that we were in agreement that the matter was so delicate and sensitive that it



Members of La Brigada in training (U)

shouldn't be surfaced to the Special Group until we were ready to go...." (U)

What Robert Kennedy meant by "the opportunities offered by the 'shrine' to Hemingway"—and what McCone made of that comment-are not known for sure, and there are no further references to the matter in McCone's papers or other available documents about Cuban operations. The attorney general may have been referring to the possibility of luring Castro into an ambush at Hemingway's farm outside Havana. The Cuhan leader had told Mary Hemingway that he was fond of her husband's work, and he visited the farm—with minimal security protection—in July 1961 while she was there soon after Hemingway's suicide. The "shrine" was a three-story tower, built for the writer as a study, that especially impressed Castro. Edward R. Murrow, who as head of USIA was involved in some Special Group activities, spoke to her about Castro's visit; according to a Murrow letter, he "passed her remarks on to one or two interested parties down here"-presumably NSC or SGA members. When shown Lansdale's memorandum, Theodore Shackley said, "[i]t certainly has the earmarks of an assassination plot," and remarked that the document was "as close as we're likely to get" to proof of White House knowledge of efforts to kill Castro. (U)

Lastly, no available information indicates that McCone ever knew about the plot by Rolando Cubela Secades (AMLASH) to kill Castro. The DCI testified to the Church Committee that he

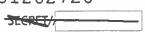
had not heard about that operation in 1963, and he told the House Select Committee on Assassinations in 1979 that he first learned about it in 1975. On the weekend after President Kennedy was killed in November 1963, Desmond FitzGerald told Walter Elder that he and an agent had been meeting with Cubela but did not mention offering the Cuban official a poison pen or promising him a specially equipped rifle. Elder may have told McCone about the contacts with Cubela, but as he did not know about the assassination scheme himself, he could not have told the DCI about it. ⁵⁰ (U)

Freeing La Brigada: Phase One (U)

Concurrent with its assorted endeavors to oust or kill Castro, the Kennedy administration negotiated with *el jefe maximo* to win the release of more than 1,200 members of the Bay of Pigs brigade captured in April 1961.⁵¹ Robert Kennedy said in 1964 that "we wanted to do whatever was necessary, whatever we could, to get them out. I felt strongly about it. The President felt strongly about it. "52 The political limits on the White House's humanitarian instincts soon

⁵⁰ McCone Church Committee testimony, 58–59; McCone deposition to House Select Committee on Assassinations, 17 August 1978, Los Angeles, CA, 12, HS Files, Job 03-01724R, box 4, folder 11; Scott D. Breckinridge (Deputy IG) letter to William G. Miller (Staff Director, Church Committee) with attachment, "AMLASH Operation," 10 July 1976, CIA JFK Assassination Records, box JFK36, folder 9; Thomas, The Very Best Men, 307; Church Committee, Investigation of the Augustination of President Kennedy, 69–78. (U)

[&]quot;Sources for this paragraph and the next are: Thomas G. Smith, "Negotiating with Fidel Castro: The Bay of Pigs Prisoners and a Lost Opportunity," DH 19, no. 1 (Winter 1995): 59-86; Schlesinger, Robert Kennedy, 468-69; Haynes Johnson, The Bay of Pigs, 229-46, 279, 282-93, 303-6; Néstor T. Carbonell, And the Russiam Stayed, 185-89; James B. Donovan, "Chronology—The Bay of Pigs," undated but c. September 1962, Bay of Pigs: 40 Years After, tab 8, doc. 5; McCone, "Discussion with Robert Anderson, 23 July 1962," and transcript of telephone conversation between McCone and James B. Donovan, 26 July 1962, McCone Papers, box 4, folder 9; Victor Andres Triay, Bay of Pigs: An Oral History of Brigade 2506, 133-35; "Cuba Invaders Given 30 Years; Castro Sets \$62 Million Ransom," New York Times, 9 April 1962, 1, and "Cuban Trial Holds 1179 for Ransom," Wishington Post, 9 April 1962, A1, Bay of Pigs clipping file, HIC; "Cuba Prisoner Deal Rumored," Washington Evening Star, 20 August 1962, A-1, Western Hemisphere—Cuba clipping file, box 1, HIC. (U)



CHAPTER 4

became clear, however. Castro's initial proposal to swap the prisoners for 500 tractors or an equal value in dollars foundered in a storm of opposition from American politicians, citizens, and newspapers, who regarded the trade as a surrender to blackmail. An ostensibly private committee formed to negotiate an agreement—its members were educator Milton Eisenhower, former First Lady Eleanor Roosevelt, and labor leader Walter Reuther—disbanded in frustration. (U)

In early 1962, as the prisoners' trial approached, the administration quietly began investigating other ways to free them. That task was made harder because Congress had enjoined the executive branch from supporting any prisoner exchange financially, and the president had publicly abhorred the idea that "men were put on the block." After the prisonets were sentenced to 30 years of hard labor, Castro proposed releasing them for a ransom of \$62 million. The Cuban Families Committee for Liberation of Prisoners of War, the organization representing the prisoners' interests in the United States, countered with an offer of \$26 million in agricultural products. Castro stuck to the higher figure but released 60 sick and wounded prisoners for a promised payment of almost \$3 million.53 Robert Kennedy then recommended to the committee that it form a fundraising group with James B. Donovan as its spokesman. Donovan was the well-connected New York lawyer who had recently arranged the trade of Soviet spy Rudolph Abel for U-2 pilot Francis Gary Powers. Donovan was assured that he would not be accused of violating the Logan Act, which forbade US citizens from engaging in unauthorized private diplomacy, and agreed to work pro bono. The committee proceeded to solicit sponsors, and on 26 June announced that it had secured support from several dozen prominent personages in business, labor, education, religion, and the arts.54 (U)

At this point, McCone's responsibilities as DCI and his business and political connections converged to establish him as a liaison between the administration, the fundraisers, CIA's congressional overseers, and corporate executives. Over the next several months, McCone held many discussions with them in several cities on the politics and terms of the release agreement. Unlike most conservative Republicans, he supported negotiating with Castro over the prisoners. He based his view on humanitarianism, a feeling of American obligation to La Brigada, the pragmatic need to maintain good relations with the Cuban exile community, the hope of creating an opening for gaining the freedom of nearly two dozen Americans-including three Agency officers-in Cuban jails, and concern that Castro would use prisoners as pawns in disputes with the United States. McCone wanted to drive a hard bargain, as he did not want the "ransom" to help the Cuban regime stabilize itself or leave the administration vulnerable to charges that it "sold out" to Castro. He thought that if a fundraising effort by private citizens gained momentum, the US government might find a way to make up the difference-possibly in kind with food and medicine. After hearing that an anxious Donovan would not accept Castro's invitation to talk unless he had some assurance of support from the administration, the DCI persuaded the NSC principals to encourage Donovan to negotiate firmly with the expectation that Congress could be prevailed upon to lift the ban on using CIA funds for ransom. Donovan then accepted Castro's offer to visit Havana by the end of August 1962. Before he left on his honeymoon to France, McCone established an Agency task force, codenamed MOSES, to provide covert support for Donovan's discussions; designated

the assistant general counsel, as Donovan's case officer; and ordered that he be kept fully informed about the mission while he was away. 55

McCone had scarcely settled in on the Riviera when Acting DCl Carter cabled him that "Donovan is back from Havana with new price list from Fidel": \$3 million in cash and \$25 million in food and medicine, with all details to be settled within 10 days. McCone offered to return to Washington early to help lobby congressional leaders to allow the

²¹ White House aide Richard Goodwin recalled President Kennedy saying, "They [the Cuban Brigade] trusted me, and they're in prison now because I fucked up. I have to get them out." Goodwin, Remembering America: A Voice From the Sixties, 18G. (U)

³⁹ Since the prisoners' capture, CIA had paid support money to their dependents in the United States; by mid-1962, the payments exceeded Dependents of the several dozen prisoners released in April 1962 continued to receive the benefits until the men's medical treatments were trinshed. The lamilies were then placed under the jurisdiction of the Department of Health, Education, and Welfare as political refugees. vol. 2, 244; McCone memorandum to the president, "Payments to Dependents of Cuban Brigade Members," 20 July 1962, HS Files, HS/HC-528, Job 84800389R, box 1, folder 28.

Stein Medy declared his refusal to negotiate at a press conference on 11 April 1962; see Public Papers of the Presidents of the United States. John E. Kennedy, 1962, 321. The roster of sponsors that the Cuban Families Committee developed included Richard Cardinal Cushing, archbishop of Boston and a Kennedy family friend; Princess Lee Radziwill, sister of the First Lady; Gen. Lucius D. Clay, former military governor of Germany; James Farley, a Democratic Party luminary; former senator and New York governor Herbert Lehman; Dame Margot Fonteyn, the ballerina; television celebriry Ed Sullivan; and David J. McDonald, president of the United Steel Workers of America. Robert Kennedy opposed using covert CIA money as contributions to the committee's fund; McCone did not disagree with him. McCone, "Memorandum of Discussion with the Attorney General...July 3, 1962," FRUS, 1961–1963, X. Cuba 1961–1962, 842. (U)

SECRET	
	l

Into the Cuban Crucible (1): Covert Action against Castro (U)

use of Agency funds if necessary, but Carter replied that the White House had not yet committed itself to the latest terms. Once back in the United States in late September, the DCI urged the president and the attorney general to pursue the deal. President Kennedy wondered whether the situation could be put off until after the elections, but McCone said time was running out and that at least exploratory talks should continue. Kennedy then told McCone to brief former President Eisenhower. If he reacted favorably, then McCone was to raise the issue with the Republican leadership and members of the CIA oversight committees while the White House did the same with congressional Democrats. Kennedy directed the DCI to portray the negotiations to Eisenhower as a CIA matter; "the president should not be put in the foreground." The general listened to McCone and agreed to support the initiative. Around this time, McCone received BNE's judgment that Castro was serious about negotiating, and that he would benefit politically from accepting a ransom for the prisoners.56 LSC

The DCI and Donovan then worked out the terms of a pharmaceuticals-for-prisoners swap: \$62 million worth of medicine at Cuban retail prices, or about \$25 million wholesale in the United States, to be purchased by special arrangement from several American drug companies at cost, or about \$20 million. (Medicine was regarded as preferable to food because it was cheaper and easier to ship, and Castro needed it more.) Donovan, Agency officers, bankers, and corporate lawyers held a flurry of meetings, the upshot of which was that by early October, CIA transferred

intended to release the money; it was to serve only as indemnification for the drug firms' bills of lading that Donovan would present to Castro as evidence of performance. Donovan left for Havana on 3 October with the "unofficial" US offer. By this time, McCone doubted whether the Cuban leader would accept the all-drugs proposal.

McCone and the administration confronted a potentially damaging political complication at this phase of the negotiations. In mid-September, Donovan had accepted the Democratic nomination to seek Republican incumbent Jacob Javits's Senate seat from New York. Republicans charged that Donovan was using the prisoner release for political recalled the gain. Donovan's case officer, high-level concern. "John McCone was beside himself about this. The attorney general was beside himself. How can we be working with this guy, he's running for office, he's on this very secret kind of thing, we don't want US government involvement in this thing, how can we control him?" McCone kept close watch on Donovan's campaign to see if any hint of official involvement in the prisoner discussions came out. According to

I was in Philadelphia one morning with Jim Donovan and I got a call about 7:00 in the morning from John McCone saying, "Okay, what did he say? Did he say anything? What is he going to do today?" John was just...very, very concerned about this whole thing. He could see...that if the press decided to make a story of this, it would implicate the electoral process, the Government involvement trying to manipulate [sic]—it was a mess.

CIA never

vice one memoranda or meetings with Robert Kenneny, 24 September 1702, with French Kennedy, 27 September 1702, this with Electrower, 20 September 1702, ibid., box 2, folder 3; BNE memoranda to McCone, "Cuban Prisoner Ransom Deal," 27 September 1962, HS Files, HS/HC-738, Job 84B00443R, box 5, folder 5

McCone memoranda of discussions with Donovan on 27 and 29 September 1962 and Eisenhower on 3 October 1962, and transcript of McCone telephone conversation with Donovan, 25 September 1962, HS Files, HS/HC-738, Job 84B00443R, box 5, folder 5; Elder, "McCone as DCI (1973)," 359.

SESTEU

¹³ Harvey memorandum to McCone, "American Prisoners in Cuba," 10 April 1962, McCone Papers, box 5, folder 19; McCone, "Memorandum of Discussion with Attorney General... July 3, 1962," "Memorandum of Discussion... July 18, 1962, with Mr. Robert Kennedy," untitled memorandum to Robert Kennedy, 21 August 1962, and memorandum for the file, "Discussion in Secretary Rusk's Office... 21 August 1962," FRUS, 1961–1963, X. Cuba 1961–1962, 842–43, 850–51, 946, 949; transcripts of McCone telephone conversations with Robert Anderson (former secretary of the treasury) on 2 July 1962, Donovan on 26 July 1962, and U. Alexis Johnson on 22 August 1962, McCone memorandum about discussion with Anderson on 24 July 1962, Ray Cline (DDI) memorandum to McCone, "Estimate of the Effect of Any Decision by the U.S. Government to Pay the \$62,000,000 Ransom of Cuban Prisoners," 23 July 1962, "Memorandum for the Record... Conversations with James B. Donovan," 31 August 1962, E. Henry Knoche, untitled Action Memorandum No. B-21, D1 August 1962, McCone Papers, box 4, folder 9; transcript of McCone telephone conversation with Donovan, 21 August 1962, ibid., folder 11; McCone, "Memorandum for the File... Discussion with Attorney General... 24 September [1962], Subject 'Donovan Negotiations," ibid., box 2, folder 3; Johnson, Bay of Pigt, 307–8; Elder, "McCone as DCI (1973)," 353. Besides [the other members of Operation were its head, General Counsel Lawrence Houston; George McManus of the DDP's Cuban Task Force; and [the other members of Operation were its head, General Counsel Lawrence Houston; George McManus of the DDP's Cuban Task Force; and [the other members of Operation were its head, General Counsel Lawrence Houston; George McManus of the DDP's Cuban Task Force; and [the other members of Operation were its head, General Counsel Lawrence Houston; George McManus of the DDP's Cuban Task Force; and [the other members of Operation were its head, General Counsel Lawrence Houston; George McManus of the DDP's Cuban Task Force; and [the other membe

SECRETAL .

CHAPTER 4

To help keep the negotiations with Castro confidential, McCone told Javits about Donovan's role as representative of a private effort, but he did not divulge the US government's interest to the senator. When Donovan's talks with Castro reached a highly sensitive stage, and with CIA so heavily involved, McCone told Robert Kennedy that he "would take all, or his full share of responsibility" if the settlement failed and a political controversy ensued. 58

Castro made a stiff counterproposal: the quantity of medicine was to be determined by much lower Cuban wholesale prices. That change would significantly increase the amount of drugs needed to make up the proposed value, raising the potential cost significantly and forcing the administration to inform congressional leaders. McCone, along with Legislative Counsel John Warner and General Counsel Lawrence Houston, quickly briefed—and lobbied—the chairmen of the CIA subcommittees, the Senate majority and minority leaders, and other senior legislators. Their reaction ranged from full support to outright opposition, but most of them approved of the administration's approach, with qualifications. On White House instructions, McCone flew to Miami on 7 October to meet Donovan at a safehouse. (For security reasons, he and his four CIA colleagues were the only passengers on a specially chartered commercial flight.) He listened to a rambling discourse from an ill and fatigued Donovan and left more convinced than before that the deal would not come off. A whirl of meetings and airflights followed. After a stopover in Washington to brief the president, McCone flew to New York to see the attorney general

in Washington, McCone heard Vice President Johnson say he would support the agreement only if his patron in the Senate, Richard Russell, did.⁵⁹283.

Despite some congressional dissent and the likelihood of political backlash from critics of "appeasement," President Kennedy on 10 October directed the negotiations to proceed. Scrious snags had developed by then, however. The New York Herald Tribune—apparently drawing on leaks from Cuban exiles and the pharmaceutical industry—embarrassed the administration with a story describing the deal. Probably to take advantage of the bad publicity, Castro became less cooperative and decided that the price he would pay for the medicine should be reduced by over one third. On hearing that, Donovan walked out of their meeting, wrote a message asking the Cuban leader to indicate when he was ready to bargain again, and left for Miami.

Finally, the discovery of Soviet offensive missiles in Cuba several days later forced the administration to put the negotiations on hold. McCone was surprised to learn from a official that Donovan—his walkout and instructions from Washington notwithstanding—had told that an agreement was imminent. If definitive news of secret talks with Castro came out then, the DCI told Robert Kennedy, the public reaction could be severe and make resolving the missile situation harder. He advised that all discussions about the prisoners be suspended,

The president approved McCone's recommendations. The fate of the Bay of Pigs prisoners—and perhaps even of the Castro regime—would have to await the outcome of the missile crisis. 61

Back

⁵⁴ McCone, "Memorandum of Telephone Conversation with Mr. Donovan...September 29, 1962...," memorandum of discussion with Eisenhower, 3 October 1962, and "Memorandum on Donovan Project," 11 October 1962. McCone Papers, box 2, folder 3; Johnson, Bay of Pigr, 314; oral history interview by 12 January and 23 February 1998 (hereafter DH), 30–31.

McCone, "Memorandum for the Record... Discussions with Senator Kuchel and Mr. Halleck...," "Memorandum for the File ... Discussion with Senators Mansfield and Salronstall...," and "Summary Memorandum of Discussions with Congressional Leaders on the Donovan Project," 8 October 1962, McCone Papers, box 2, folder 3; McCone neutnorandum of meeting with the president, the attorney general, and others on 9 October 1962, ibid., box 6, folder 2; Elder, "McCone as DCI (1973)," 354–58; "Memorandum of Agreement" between the Government of Cuba and the Cuban Families Committee, undated but c, early October 1962, Bay of Pigs: 40 Years After, tab 8, doc. 3.

⁶³ McCone, "Memorandum on Donovan Project," 11 October 1962, McCone Papers, box G, folder 2; Johnson, Bay of Pies, 317–18; Elder, "McCone as DCI (1973)," 359–60; [Donovan,] "Chronology...," undated but c. December 1962, Bay of Pies. 40 Years Afree, tab 8, doc. 5 (part 2). Besides the New York Herald Tribune, other major American newspapers were on the story. The Washington Post ventured in one headline that "Part of Ransom Cash for Castro Is Expected to Come from CIA" (11 October 1962, Western Hemisphere—Cuba clipping file, box 1, HIC).

⁶¹ Elder, "McCone as DCI (1973)," 359-60.

CO CDUT	
accure.	

CHAPTER

6

Postlude to Crisis: Freedom Fighters and Silent Warfare (U)

uring the year after the missile crisis, John McCone participated in formulating US policy and CIA operations in two major areas of American-Cuban relations: securing the release of the Cuban Brigade and developing a covert action and espionage program to replace MONGOOSE. Other areas of international conflict and bureaucratic controversy-notably Vietnam and overhead reconnaissance—drew his attention away from Cuba somewhat. The Kennedy administration remained as committed as ever to removing Fidel Castro from power, however. "Our ultimate objective with respect to Cuba," McGeorge Bundy wrote in a policy memorandum in early December 1962, "remains the overthrow of the Castro regime and its replacement by one sharing the aims of the Free World." As a member of the NSC committee overseeing covert actions against Cuba, McCone necessarily had a large and influential part in devising the clandestine means to accomplish that goal. Although the US government had not formally pledged not to invade Cuba, overt military action was politically unfeasible after the missile crisis ended. The administration would have to rely even more on covert action than before the crisis. Meanwhile, to satisfy its moral obligations to the imprisoned fighters of the Bay of Pigs operation and to retain the support of Cuban expatriates in the United States—a vital part of its covert plans against Castro—the administration also continued efforts to win the release of the members of La Brigada. Drawing on his congressional and business contacts, McCone helped overcome political and financial obstacles that arose during those sensitive negotiations. (U)

Freeing La Brigada: Phase Two (U)

As the US-Soviet talks over the missiles proceeded, movement toward winning freedom for the Cuban Brigade

prisoners resumed. They had been potential victims of the crisis, but the administration secured their release largely because, having just stood up to the Soviet Union, it now did not have to fear charges of "appeasement" if it struck a deal with Castro. Moreover, informal lines of communication about the prisoners remained open between Washington and Havana during the "Thirteen Days." Afterward, James Donovan and the Cuban Families Committee were ready to pick up where they had left off. Donovan thought the missile episode had given the United States the upper hand in renewed bargaining for the prisoners. He reportedly told Castro, "If you want to get rid of them, if you're going to sell them, you've got to sell them to me. There's no world market for prisoners." Robert Kennedy remarked that the situation now was much more relaxed with Congress out of session, and "it is probable that if more money is needed[,] it could be obtained."2 281

The White House did not let McCone know that the drugs-for-prisoners deal was back on track. He learned secondhand that a representative of the Cuban Families Committee had recently talked with the attorney general and that Donovan had resumed contact with American pharmaceutical executives. After meeting with one of them, McCone "expressed grave concern over the situation" to Robert Kennedy

the DCI warned that publicity emanating from either Donovan or the drug industry would implicate the administration and the Agency in an ostensibly private humanitarian venture. Given current bad relations with Castro, the American public "and a great many others" would be "confused and disenchanted" to learn that the US government condoned back-channel dealings to ransom the

^{1 &}quot;Future Policy toward Cuba," 6 December 1962, FRUS, 1961-1963, XI, Cuban Missile Critis and Aftermath, 587. (U)

Inhason, The Bay of Pigs, 319; Schlesinger, Robert Kennedy, 535; Walter Elder untitled memorandum to McCone, 8 November 1962, McCone Papers, box 1, folder 1. On 20 October 1962—five days after the discovery of the Soviet nuclear missiles in Cuba, and two days before President Kennedy's quarantine speech—Castro sent a list of medicine and supplies that he wanted in exchange for the prisoners. McCone, reporting to the NSC ExComm on the 25th, noted that baby food comprised over one fourth of the total amount, and that the volume of blood plasma called for was three times Cuba's annual consumption. The list from which the tinal deal was struck included some 10,000 items and was 225 pages long. The Department of Commerce had to screen it for embargoed goods, and substitutes for unobtainable items had to be located. ExComm meeting on 25 October 1962, Presidential Recordings: FFK, III, 236; "US Officials Had Key Role in Talks," New York Hentld Tribune (European Edition), 25 December 1962, Western Hemisphere—Cuba clipping file, box 2, HIC. At some point in Donovan's negotiations with Castro—whether before or after the missile crisis is unclear—some officers in the DDP devised a plan to have Donovan be the unwitting purveyor of a diving suit and breathing apparatus, respectively contaminated with Madura foot fungus and tuberculosis bacteria, as a gift for Castro, a scuba diving enthusiast. The scheme was dropped because Donovan had already presented a diving suit as a personal gift to the Cuban leader. CIA Inspector General, "Report on Plots to Assassinate Fidel Castro," 75–76.48)

prisoners. McCone pleaded his case effectively; Robert Kennedy, McGeorge Bundy, and the president agreed that the United States should temporarily disengage from the negotiations.³

By late November 1962, however, the Cuban Families Committee had heard about the miserable conditions the prisoners were being held under and persuaded the attorney general to take up negotiations again. Kennedy declared that "We put them there, and we're going to get them out—by Christmas!" The deal's planners—the attorney general's office, the Department of the Treasury, the Internal Revenue Service, and CIA—developed a proposal whereby companies would donate the supplies Castro demanded and deduct their actual costs from the products' value and claim the difference as a business expense. With a tax rebate of 52 percent on that amount, the firms would come out ahead. Although McCone opposed the overall idea of treating with Castro for the prisoners in the wake of the missile crisis, this scheme had the virtue of assuring that no CIA money would have to be used directly. The estimated final cost of the exchange, based on the retail cost of

To counter congressional opposition as the negotiations progressed, McCone and Legislative Counsel John Warner briefed senior lawmakers. McCone was especially careful to clear up questions about the agreement's possible need for CfA funds. He told the legislators that the Agency might have to pay promised to Castro for teleasing 60 wounded and sick prisoners in April 1962, but that he would advise Congress before drawing on CfA

the products in Hayana, was

money. The executives were not enthusiastic about the terms of the deal, either. plained that many of the items Castro wanted had a high cost-to-market ratio and that the companies could not meet his demands merely by dumping surplus inventory. McCone suggested that the firms contribute their profit on the agreement to charity and increase their tax break. Administration officials assured the executives that they could work together without fear of prosecution for violating antitrust laws and that they would not have to disclose proprietary cost and markup data to obtain their tax deductions. Thus mollified, the companies agreed to the plan. Transportation firms could not receive any tax break for participating in the deal, but around 70 airlines, railroads, and trucking and shipping companies donated their services anyway.

Other logistical and financial problems and last-minute reservations were overcome as Christmas neared. On 21 December, Formally issued the financial instrument (a letter of credit) that underwrote the barter, and the government of Cuba and the Cuban Families Committee signed the release agreement the next day. The remaining 1,113 prisoners-much better treated in recent days-were released on the 23rd, and half were flown to Miami. Castro then said no more would be let out of the country unless he received the previously promised. At Robert Kennedy's request, Richard Cardinal Cushing of Boston, a longtime family intimate and a sponsor of the Cuban Families Committee, raised \$1 million in a few hours. Gen. Lucius Clay, another committee sponsor, provided the rest-secured on his personal note, which sev-

¹ McCone, "Mcmorandum of Conversation with the Attorney General Concerning the Negotiations for the Release of the Cuban Prisoners," 14 November 1962, McCone Papers, box 2, folder 3; Lawrence Flouston (General Counsel) memorandum to Chief, Task Force W, "Cuban Prisoner Exchange," 15 November 1962, ER Files, Job 80B01676R, box 19, folder 2, 100

Schlesinger, Robert Kennedy. 535-36; Johnson, Bay of Pigs, 321-23; Thomas, Robert Kennedy. 236. Elder untitled memorandum to McCone, 1 December 1962, McCone Papers, box 1, folder 1. Besides McCone's involvement in number of CIA officers spent considerable time providing intelligence, communications, security, and logistical support to the negotiations and release. When details of the exchange appeared in the press later, the Departments of Justice, Treasury, State, and Commerce were mentioned, but not CIA. Houston memoranda to McCone, both titled "Cuban Prisoner Release Negotiations," both 9 January 1963, DDO Files, Jub 78-02958R, box 1, folder 16; "US Officials Had Key Role in Talks," New York Herald Tribune (European Edition), I Ilongo Departs 1962, 1, Western Hemisphere—Cuba clipping file, box 2, HIC.

⁵ [James Donovan,] "Chronology...," undated but c. December 1962, Bay of Pigr: 40 Years After, tab 8, doc. 5 (part 2); "Special Addendum, Journal, Office of Legislative Counsel, 17 December 1962, "Journal, Office of Legislative Counsel, 15–16 December 1962," and John S. Warner memorandum, "Meeting with Representative Carl Vinson, 7 January 1963," OCA Files, Job 65-00384, box 2, Carl Vinson folder; Elder untitled memorandum, 7 December 1962, McCone Papers, box 1, folder 1; Schlesinger, Robert Kennedy, 536; "US Officials Had Key Role in Talks," New York Herald Tribune (European Edition), 25 December 1962, Western Hemisphere—Cuba clipping file, box 2, HIC.

Castro's representatives objected to the expansive definition of "pharmaceuticals," which included parent medicine, mouthwash, laxatives, antacids, and menstrual supplies, but they were persuaded that the Cuban people needed those items as well. The deal also included surgical equipment and baby food. When Lansdale heard that toilet paper was one of the non-pharmaceutical items in the package, he proposed to DDCI Carter what he termed an "earthy idea" for propaganda exploitation: printing Castro's picture on the inside sheets of the rolls of paper. "The earthy appeal of this is in tune with the Cuban sense of humor, and they'd really get to laughing at Fidel." A doubting Carter passed the scheme on to McCone with this observation: "As each day passes in this pickle factory, I shudder at the depths plumbed by some of our more subtle advisors, mendicants, etc. Mongooses are notoriously diarrhetic." Thomas, Robert Kennedy, 237; Lawrence Leamer, The Kennedy Men. 1901–1963, 673; [Donovan,] "Chronology...." in Bay of Pigr. 40 Years After, tab 8, doc. 5 (part 2); Lansdale memorandum to Carter, "Barter Item for Cuban Prisoners," 20 December 1962, with attached routing slip bearing Carter's comment dated 26 December 1962, ER Files, Job 80B01676R, box 19, folder 2

COMPLET	,	
SECURE	1	

Postlude to Crisis: Freedom Fighters and Silent Warfare (U)

eral major US corporations in turn covered. (McCone wrongly suspected that the president's father, Joseph P. Kennedy, put up the last-minute money). All but a few of the remaining prisoners arrived in Miami on Christmas Eve. 4

President Kennedy's meeting with the leaders of La Brigada at his Palm Beach villa on 27 December, and his speech to all the freed prisoners and 40,000 of their friends, relatives, and supporters at the Orange Bowl two days later, lent the full moral authority of the US government to the Cuban exiles' crusade against Castro. In a dramatic and emotional scene, the president accepted the brigade's yellow-and-blue flag from its leader and pledged that its colors "will be returned to this brigade in a free Miami after their release. (U) Havana." The crowd roared and then

chanted "Guerra! Guerra!" and "Libertad! Libertad!" President Kennedy exhorted them to keep hope alive; "although Castro and his fellow dictators may rule nations, they do not rule people...they may destroy the exercise of liberty, but they cannot eliminate the determination to be free." The president was one of the few present who knew that all dur-



Members of La Brigada arrive in Photo: Wide World

ing the second phase of negotiations leading to the prisoners' release, the White House and CIA had been preparing to embark on a war-a secret one-to win back the Cuban people's liberty.7 (U)

McCone participated in one other prisoner release involving Castro. The following spring, with the DCI again playing a liaison role, Donovan negotiated the repatriation of 23 Americans jailed in Cuba. The fate of the group

had come up earlier in the negotiations for the Bay of Pigs prisoners. The Americans were traded for four pro-Castro Cubans in US jails; one of them was serving a 20-years-to-life sentence for killing a child

bystander in a brawl with Cuban expatriates at a New York restaurant when Castro visited the United Nations in September 1960. McCone discussed with the president, the secretary of state, and the governor of New York, Nelson Rockefeller, the legal and political ramifications of commuting the Cuban's sentence. Around the time Rockefeller

Castro held back a tew prisoners for crimes they allegedly committed in Cuba before the Bay of Pigs invasion. One of them died in prison, and others were released from time to time, but the last two were not let go until 1986. Samuel Halpern, "Revisiting the Cuban Missile Crisis," 24. After the first drug shipments arrived in the spring of 1963, the Cuban government complained that the medicines were "not entirely satisfactory." McCone, regarding the complaints as legitimate, asked Robert Kennedy to contact pharmaceutical industry representatives to make sure that the drugs still to be delivered complied with the terms of the agreement. After all the drugs had been shipped, Castro said through a private intermediary that he believed the United States had "swindled" him because the medicines were out of date. The extended incarcerations of some Brigade members may be related to Castro's displeasure. Carter untitled memorandum to Robert Kennedy, 2 April 1963, etc. Porter Call to Donovan, "7 October 1963, ibid., box 26, folder 5.262

Johnson, Bay of Pigs, 342-45; Carbonell, 190-91; Triay, Bay of Pigs, 137; Public Papers of the Presidents of the United States: John F. Kennedy, 1962, 911-13. The brigade's flag was not returned to the Bay of Pigs veterans until 1976 after negotiations between the JFK Library, where it was in storage, the General Services Administration, which legally "owned" it, and the veterans' attorney. Wyden, 303n. The US government paid the expatriates \$100 upon their return. In February 1963, it decided to halt monthly benefit payments to them and their families, which by then totaled over \$4 million. Survivors of deceased brigade members received a lump sum payment of \$3,000. "Cuban POWs' Families Got 20-Month US Aid," Washington Past, I January 1963, Western Hemisphere—Cuba clipping file, hox 2, HIC | memorandum for pool of the Presidents of the Brigade," 20 February 1963, HS Files, HS/HC-528, Joh

^a Sources for this paragraph and the next are: Elder, "McCone as DCI (1987)," 360a; Catter memorandum to McCone, "Negotiations for Release of Cuban Prisoners," 4 December 1962, ER Files, Job 80B01676R, box 13, folder 4; memorandum about McCone meeting with Donovan, 7 January 1963, FRUS, 1961–1963, XXXII Murofiche Supplement, doc. 591; McCone memorandum, "Discussion with Mr. Rusk," 30 January 1963, McCone Papets, box 2, folder 4; McCone, "Memorandum of Meeting with the President," 20 February 1963, ibid., box 6, folder 3; McCone memorandum to the president, "Donovan Negotiations with Castro," 10 April 1963, FRUS, 1961–1963, XI, Cuban Minile Crisis and Aftermath, 755–56; Gordon Chase (NSC) memorandum, "Cuba—American Prisoners," 21 January 1963, and Chase memorandum to Bundy, "American Prisoner Deal," 21 February 1963, National Security Files: Countries, Box 56, Cuba Subjects, Prisoner Motives, both 23 April 1963, ER Files, Job 80B01676R, box 13, folder 8, Nathan Nielsen, "Our Men in Flavana," Studies 32, no. 1 (Spring 1988): 18; Jens Institute of the American Freed by Cuba Were Cla Men," Washington Post, 25 April 1963: A16, and "Refugee Bargain with Cuba Ends," New York Times, 4 July 1963: C2, Western Hemisphere—Cuba clipping file, box 2, HIC.

July 1963 C2, Western Hemisphere—Cuba clipping file, box 2, HIC

⁶ Johnson, Bay of Pigs, 324–29, 332–41; Schlesinger, Robert Kennedy, 537; Thomas, Robert Kennedy, 237; Triay, 136–37; Dean Rusk, "Circular Telegram to All Latin American Pusts," 22 December 1962, FRUS, 1961–1963, XI, Cuban Musile Crisis and Aftermath, 635–36; [Donovan,] "Chronology...," in Bay of Pigs: 40 Years After, tab 8, doc. 5 (part 2); "Memorandum of Agreement," 22 December 1962, ibid., doc. 4; "First Cuban PWs Reach US in Exchange for Drugs, Food," New York Hendld Tribune (European Edition). 24 December 1962, 1. Western Hemisohere—Cuba clipping file, box 2, HIC;

released the prisoner, Robert Kennedy announced that federal charges would be dropped against three other Cubans arrested for conspiracy to sabotage US defense facilities around New York.

The four Cubans were flown to Havana at the same time that Donovan returned to the United States with the 23 Americans. By July 1963, when the final goods-for-refugees swap occurred, more than 9,700 people had left Cuba as a result of the two prisoner negotiations. They included the survivors of the Bay of Pigs invasion (except for the few withheld, as mentioned above), some 5,000 members of their families, all Americans jailed in Cuba and their families, a large number of Americans wishing to return to the United States, and many Cuban political prisoners.

A Renewed Secret Offensive Against Castro (U)

The SGA called off Operation MONGOOSE on 30 October, two days after Khrushchev agreed to halt construction on the offensive nuclear missile sites and to dismantle the weapons and return them to the Soviet Union. President Kennedy told McCone that CIA was to "do everything possible to insure no refugee or émigré provocative actions against Cuba are undertaken with or without our knowledge during the next several days" while American and Soviet negotiators fashioned the details of the withdrawal agreement. By that time, MONGOOSE had been largely converted into an intelligence collection project responsive to requirements from the JCS. MONGOOSE's covert action phase came to a dismal end in early November

two exiles sent to sabotage the copper mine at Matahambre

and missing since 21 October might have been captured. Ten days later, Havana publicly announced their arrest.9 [8]

After learning more about how the failed mission had been miscoordinated between MONGOOSE project director Edward Lansdale and Task Force W chief William Harvey, McCone wrote that "DCI and CIA should always avoid any assignment under which CIA would be obliged to accept a subordinate or supporting position to Lansdale management." Despite its fondness for Lansdale, the White House realized that interdepartmental implementation of covert action, at least as attempted under MONGOOSE, was unworkable. "MONGOOSE was poorly conceived and wretchedly executed," Arthur Schlesinger Jr. has written. "It deserved greatly to fail. It was Robert Kennedy's most conspicuous folly." Lansdale later agreed that the project was counterproductive. Instead of creating a political movement against the regime, it stiffened the Cuban people's resolve to support Castro. "There is well nigh universal agreement that MONGOOSE is at a dead end," Bundy reported to the president in early January 1963.10

Organizational Changes (U)

The administration was not about to forswear its goal of removing Castro from power, however, and the president's Orange Bowl speech to La Brigada had committed him to a diplomatic, economic, and clandestine offensive against the Cuban regime. A host of overt initiatives in conjunction with the OAS, regional governments, and NATO would be combined with extensive clandestine operations led by CIA. At first, the former took precedence. "The covert aspects of our Cuban enterprise are not the most important ones at present," Bundy wrote to the president in early January. Overall US policy toward Cuba was formulated by the NSC's Plans and Operations Committee, also known as the Standing Group. That entity had existed since January 1962 but was now revitalized. Its members were Chairman U. Alexis Johnson, the deputy under secretary of state for polit-

McCone untitled memorandum to Carter (marked "URGENT"), 30 October 1962, McCone Papers, box 1, folder 14; Carter untitled memorandum, 30 October 1962, McCone Papers, box 1, folder 14; Carter untitled memorandum, 30 October 1962, McCone Papers, box 1, folder 14; Carter untitled memorandum, 30 October 1962, McCone Papers, box 1, folder 14; Carter untitled memorandum, 30 October 1962, McCone Papers, box 1, folder 14; Carter untitled memorandum, 30 October 1962, McCone Papers, box 1, folder 14; Carter untitled memorandum, 30 October 1962, McCone Papers, box 1, folder 14; Carter untitled memorandum, 30 October 1962, McCone Papers, box 1, folder 14; Carter untitled memorandum, 30 October 1962, McCone Papers, box 1, folder 14; Carter untitled memorandum, 30 October 1962, McCone Papers, box 1, folder 14; Carter untitled memorandum, 30 October 1962, McCone Papers, box 1, folder 14; Carter untitled memorandum, 30 October 1962, McCone Papers, box 1, folder 14; Carter untitled memorandum, 30 October 1962, McCone Papers, box 1, folder 14; Carter untitled memorandum, 30 October 1962, McCone Papers, box 1, folder 14; Carter untitled memorandum, 30 October 1962, McCone Papers, box 1, folder 14; Carter untitled memorandum, 30 October 1962, McCone Papers, box 1, folder 14; Carter untitled memorandum, 30 October 1962, McCone Papers, box 1, folder 14; Carter untitled memorandum, 30 October 1962, McCone Papers, box 1, folder 14; Carter untitled memorandum, 30 October 1962, McCone Papers, box 1, folder 14; Carter untitled memorandum, 30 October 1962, McCone Papers, box 1, folder 14; Carter untitled memorandum, 30 October 1962, McCone Papers, box 1, folder 14; Carter untitled memorandum, 30 October 1962, McCone Papers, box 1, folder 14; Carter untitled memorandum, 30 October 1962, McCone Papers, box 1, folder 14; Carter untitled memorandum, 30 October 1962, McCone Papers, box 1, folder 14; Carter untitled memorandum, 30 October 1962, McCone Papers, box 1, folder 1962, McCone Papers, box 1, folder 1962, McCone Papers, box 1, folder 19 McCone untitled memorandum to Carter (marked "URGEN1"), 30 October 1962, McCone Papers, box 1, tolder 14; Carter untitled memorandum, 30 October 1962, ER Files, Job 80B01676R, box 13, folder 4; McCone untitled memorandum to the attorney general et al., 30 October 1962, FRUS, 1961–1963, XXXIXII.

Microfiche Supplement, doc. 462; Harvey memorandum to McCone, "Chronology of the Mazahambre Sabotage Operation," 21 November 1962, with attachments, ER Files, Job 91S00741R, box 1, folder 5; Harvey memorandum to McCone, "Havana Reports About the Atrest of Two CIA Agents," 14 November 1962, ibid., Job 80B01676R, box 19, folder 2; Corn, 89–90. "CIA Plot Smashed, Castro Regime Says," Washington Post, 14 November 1962, A12, and "Cuba Arrests Authentic CIA Sabotem," Havana CMQ Television Network, 14 November 1962 (FBIS translation), Western Hemisphere—Cuba clipping file, box 2, HIC.

McCone handwritten note on cover sheet to Harvey memorandum to McCone, "Chronology of the Matahambre Sabotage Operation," 21 November 1962, with attachments, ER Files, fob 91500741R, box 1, folder 5; Bundy memorandum to the president, "Further organization of the Government for dealing with Cuba," 4 January 1963, FRUS, 1961–1963, XI, Cuban Missile Crisis and Aftermath, 648. Carter wrote on the cover sheet of Harvey's memorandum: "Lansdale, obviously running for cover, has apparently come a cropper—I for one could not accept him as Chief of Operations for anything involving Agency participation from here on out." Some scholars have erroneously stated that the Matahambre team violated its orders by going ahead with the attempt to attack the mine. The saboteurs had not been in touch with their CIA handlers since the operation had been approved three weeks earlier, to they did not know that their mission had been approved three weeks earlier, to they did not know that their mission had been approved three weeks earlier. been in touch with their CIA handlers since the operation had been approved three weeks earlier, so they did not know that their mission had been suspended early in the missile crisis. James A. Nathan, "The Heyday of the New Strategy: The Cuban Missile Crisis and the Confirmation of Coercive Diplomacy," in Nathan, The Cuban Missile Crisis and the Confirmation of Coercive Diplomacy, in Nathan, The