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11 December 1959

RC
11-9901

MEMORANDUM FOR: Director of Central Intelligence
VIA: Deputy Director (Plans)
SUBJECT: Cuban Problems.

This memorandum requests approval by the Director of the recommendations contained in paragraph 3.

1. Estimate of the Situation.

a. A dictatorship of the far left is now established. It is not only unfriendly to the United States in oral criticism, but has taken action against American properties, both industrial and agricultural, which, if permitted to stand, will encourage similar actions against U.S. holdings in other Latin American countries.

b. We do and must expect a major increase in the scale and effectiveness of Cuban aid and participation in revolutionary actions against other countries of Latin America now friendly to the United States. In addition to those that have already been targets - Nicaragua, Panama, the Dominican Republic and Haiti, recent intelligence indicates a direct interest by Castro in Colombia and Peru. Betancourt's position in Venezuela would be gravely weakened by Castro successes, and it is believed only a question of time before an alliance would be established between the powerful Communist Party of Venezuela and the Castros.

c. Rapid nationalization of the banks, industry and commerce is reportedly contemplated. If this occurs, the small group in control will have at its disposition several hundred million dollars from the sale of the sugar crop early in 1960. Part of these funds may be used to further their revolutionary objectives against other countries of the Caribbean and South America.

d. Castro has lost the support of the upper class and most of the middle class. He probably still has a sufficient following from the masses to maintain control until further inroads can be made in his popular support and the opposition more effectively unified.

e. Propaganda action to reduce his following, while essential, in itself will probably not be enough to dislodge him. His approaching stranglehold on Cuba will be broken only by violent action.

f. It is my personal opinion that if Castro is successful in consolidating his position and remaining in power for two more years,

MORI/HRP

EXECUTIVE SECRETARY

[Signature]

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lasting damage may occur to the United States' already weakened position of leadership in Latin America.

2. U.S. Objective.

The overthrow of Castro within one year, and his replacement by a junta friendly to the United States which will call for elections six months after assumption of office.

3. Recommended Action:

a. Clandestine radio attacks from Caribbean countries of the liberal group, working closely with us and using Cuban nationals for broadcasting.

b. Intrusion operations against Castro's TV and radio, to be mounted from within Cuba

c. The encouragement of pro-U.S. opposition groups, excluding Batista and Masferrer supporters, to establish by force a controlled area within Cuba. This would have the following advantages:

(1) It would permit the establishment of a radio station, long wave, which would reach all of the stations in Cuba. Since it would be on Cuban soil, the problems of joint operations with other countries would be eliminated.

(2) A controlled area would be a rallying point for the growing opposition to Castro in the same manner that the 26th of July movement in the hills of Oriente became the rallying point of many who turned against Batista.

(3) It would be a means of testing the strength and fibre of the opposition, and separating the men from the boys.

(4) The reportedly large fragmented elements of the constitutional Cuban Army would have a place to go.

(5) A sizeable guerrilla movement within Cuba would curtail Castro's plans for revolutionary action against other countries.

d. Thorough consideration be given to the elimination of Fidel Castro. None of those close to Fidel, such as his brother Raul

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er his companion Che Guevarra, have the same mesmeric appeal to the masses. Many informed people believe that the disappearance of Fidel would greatly accelerate the fall of the present Government.

J.C. King
Chief, Western Hemisphere Division

cc: DDCI

CONCUR: 12 DEC 1959
(sgc) Richard S. Russell, Jr.
Deputy Director (Plans)

The recommendation contained in paragraph 3 is approved:

AWARD

Director of Central Intelligence

Date 12 DEC 1959

*Approved in by DHP on 12/12/59 & auth
again signed by D.C.I. DHP's entry states
OK to get Sec eye in F.R.*



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11-9531

30 November 1959

MEMORANDUM FOR: Director of Central Intelligence

SUBJECT: Latest Estimate of the Current Situation in Cuba.

1. This memorandum is for the Director's information only.

2. The appointment of Ernesto Che Guevara as President of the National Bank confirms the last estimate presented to the DCI, which announced Castro's intention of making every unit of the Cuban Government subordinate to the Agrarian Reform Institute. Guevara's assumption of this position could easily be the first step towards the nationalization of all banks in Cuba and the issuance of worthless bonds in exchange for deposits now in the banks. Correction: This is when they start cutting the cane.

3. January 15th is a crucial date in Cuba. / ~~By then the harvest will~~ --
-- be in. If Castro can collect for the entire harvest he will have about \$500,000,000 to pour into the government, i. e. the Agrarian Reform Institute. In previous years this money was available to private citizens.

4. In Cuba today there are various opposition groups scattered throughout the country. One group which, although in widely separated parts of the island, is in strong opposition to Castro is made up of the twenty thousand-plus ex-officers and ex-soldiers of Batista's army who, if not in jail, cannot get work because they are classified as enemies of the state. However, the only cohesive military group which is opposed to

Fidel Castro is composed of some twenty-seven hundred men in the Dominican Republic under the command of General Pedraza. Pedraza appears to be the only military officer of high rank with an organized following. Pedraza is not too closely linked with Batista, as he was retired from active service by Batista in 1952, when Batista took over power from Prio. He was pressed back into active service towards the end of the revolution.

5. Pedraza has told opposition leaders that he would lead an armed force against Castro and, if successful, would obey the civil authorities who took over from the Castro government.

J. C. King
Chief, WHD