

OCT 11 1962

*Per 2 J. B. DONOVAN
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CHRONICLE

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CPYRGHT

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\$13 Million

'CIA Funds' to Aid Ransom of POWs in Cuba

A.P. & U.P.

Washington

Congressional sources said last night that they expected Government funds to be used for part of the cost of ransoming more than a thousand Cuban invasion prisoners.

They said their information was that the funds would be made available out of the top-secret budget of the Central Intelligence Agency.

Yesterday afternoon James B. Donovan negotiated with Prime Minister Fidel Castro behind closed doors in the presidential palace in Havana in what had been expected to be the climax of talks looking to release 1113 captives of the Bay of Pigs invasion in 1961.

But Mrs. Berta Barre, liaison representative of Cuban Families Committee said later that "the negotiations will last two or three more meetings because a few details must be revised."

Donovan and Castro talked for nearly four and a half hours.

Castro has asked for \$62 million, Donovan has offered food and medicine.

One Washington report

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aid the United States Government had agreed to underwrite the shipment of \$13 million in food and drugs rather than contribute hard currency to Cuba's industrial and military buildup. This amount presumably would be augmented by private subscriptions raised by the Families Committee.

(Donovan said in San Francisco in August that the Committee had acquired pledges for \$27 million in foodstuffs and other material and some money—in the millions — also had been raised.

(He said he had found State Department officials "sympathetic" to the private efforts.)

State Department and White House officials declined comment on any aspect of the private negotiations between Castro and Donovan, hired by the prisoners' families to represent them. One source close to the negotiations cautioned late yesterday: "This thing is not wrapped up by far."

The Kennedy Administration did take steps to deny a story in the New York World Telegram and Sun that Donovan, the Democratic nominee for the Senate in New York, is acting as the Administration's agent.

The newspaper's story said that Donovan was asked by Attorney General Robert F. Kennedy last June to undertake the assignment.

Senator John J. Williams (Rep-Del.) urged the President to deny reports that Government funds would help in any ransom. He said the idea of such action disturbed him.

Also demanding a policy declaration was Representative William Cramer (Rep.

Fla.), who said:

"How must we look in the eyes of

other countries to cut off trade with Cuba while at the same time allowing a private citizen to negotiate \$60 million in trade with Cuba's Castro?"