

MATERIAL REVIEWED AT CIV. HEADQUARTERS BY
HOUSE SELECT COMMITTEE ON ASSASSINATIONS STAFF MEMBERS

FILE TITLE/NAME/P/VOLUME: ARTIME, Buesa, Manuel

ARTIME-Buesa, Manuel

201-0267437

Volume XIII

INCLUSIVE DATES: _____

CUSTODIAL UNIT/LOCATION: _____

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DELETIONS, IF ANY: **Third Agency Documents**

NO DOCUMENTS MAY BE COPIED OR REMOVED FROM THIS FILE.

~~SECRET~~

8 January 1965

MEMORANDUM FOR THE RECORD

SUBJECT: Telephone Conversation with AMBIDDY-1

DATE: 7 January 1965, 2130 Hours

1. AMBIDDY-1 reported that Manolin Hernandez arrived from Central America and reported that Vico Starke and Frank Marshall, with the support of General Anastacio Somoza of Nicaragua, were planning a coup against President Francisco Orlich in Costa Rica. A-1 planned to depart Miami for Managua at 0700 hours, 8 January on Lanica airline to check this information with General Somoza and to attempt to ensure that his equipment is not being used to carry out the coup. A-1 will have his private communications pad and promised to send us a message as soon as he talked with General Somoza and with the Orlichs and Starke in Costa Rica.

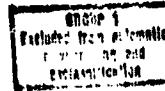
2. A-1 agreed to try to return to New York on Saturday, 9 January, for a meeting with Mr. Archer (Chief, WH). A-1 will call as soon as he arrives in New York at which time arrangements will be made to bring him to Washington for the meeting.

3. A-1 reported he and Al Burt had signed a non-aggression pact. A-1 feels there is little to gain from his point of view in continuing the squabble with Burt.


Nestor D. Sanchez
WH/SA/AMWORLD

File:
AMBIDDY-1 201
Tel Conversations
Costa Rica
Mic
Press

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Form Filled In

DOCUMENT TRANSFER AND CROSS REFERENCE

SUBJECT OF DOCUMENT		DOCUMENT IDENTIFICATION		
		1. PI FILE NO.		
		2. DISPATCH OR SOURCE DOC. SYMBOL NO.	3. DATE	
		4. SOURCE CRYPTONYM	5. DATE OF INFO.	6. EVALUATION
7. ANALYST	8. DATE PROCESSED	10. DISSEMINATED IN	11. DATE	
DOCUMENT DISPOSITION				
12. CROSS REFERRED TO THIS FILE		13. TRANSFERRED TO PI FILE NO.		
PERTINENT INFORMATION				
14.				
<p>ARTIME, MANUEL 201-267437 SEX M DOB ?</p> <p>CIT CUBA OCC ?</p> <p>RE ALLEGATION BY ELOY GUTIERREZ MENOYO 201- 269349 OR MRR WAS WORKING DIRECTLY UNDER THE ORDERS OF A COUNTERINTELLIGENCE AGENCY OF US AND THAT SUBJ WAS RESPONSIBLE FOR SINKING OF SPANISH SHIP SIERRA ARANZAZU.</p> <p style="text-align: right;">019-300-003 DBA - 96789 27 JAN 65 P2</p> <p style="text-align: right;">R 6502082323</p>				
15. FILE THIS FORM IN FILE NO. 				

SECRET

(7-40)

FORM 887 USE PREVIOUS EDITIONS.
6-67

CLASSIFIED MESSAGE

TOTAL COPIES 6 01

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FROM	PERSON/WHAT NOTIFIED	REDUCTION PRIORITY		
JM WADE		1	2	3
ACTION	ADVANCE COPY ISSUED	SLOTTED	TWACO	TIME 1415M 13000
INFO	VR, FILE, DDP	ST <i>Dm</i>		

SECRET 132358Z

PRIORITY DIR CITE WAVE 8261

REF ID: A651004-11 201
~~UNCLASSIFIED~~ SECURITY
TOPIC YOBITE AMWORLD

1. ANCLATTER/1 TOLD 13 FEB 65 BY FRANK FIORINI THAT MANUEL ARTIME'S HOUSE AT 1270 NE 85TH STREET MIAMI WAS RANSACKED DURING EVENING 12 FEB. ARTIME TOLD FIORINI THAT INTRUDERS HAD STOLEN JEWELRY, NUMBER OF DOCUMENTS AND TELESCOPIC LENS RIFLE THAT FIORINI HAD GIVEN ARTIME AS GIFT.
2. ARTIME ASKED FIORINI HELP HIM OUT BY GETTING IN TOUCH LOCAL AUTHORITIES (UNSPECIFIED) WITH REQUEST THEY KEEP MATTER QUIET. FIORINI SAID ARTIME DOES NOT WANT INCIDENT PUBLICIZED.
3. FOR SECURITY REASONS WAVE HAS MADE NO EFFORT OBTAIN CONFIRMATION FROM LOCAL AUTHORITIES. HOWEVER, WAVE HAS RECEIVED NO OTHER REPORT ON THIS MATTER AS OF PREPARATION THIS REPORT.

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Note: Artine confirmed this
11 Feb - Event was silent
3 Feb - No
sensitive documents taken *for* *5 days*

SECRET

CLASSIFIED MESSAGE TOTAL CPM 19

SECRET				COPY E6	
PERSONNEL NOTIFIED		REPRODUCTION PROHIBITED			
FROM <u>AMWORLD</u>	ACTION <u>DC/444/SA-3</u>	ADVANCE CPM <input type="checkbox"/> 100000 <input type="checkbox"/> 200000 <input type="checkbox"/> 300000	1.3	100	100
INFO <u>TO FILE DDP</u>				CPM	100

SECRET 181509Z

DIR CINE WAVE 8420

DECLASSIFIED
REF TYPIC YOBITE AMWORLD

REF WAVE 8419 (1M83360)

IDENS JOSE ANTONIO MOLE ROSALES.

SECRET

CPM

SECRET

100000 183422

CH

CLASSIFIED MESSAGE

~~SECRET~~

REPRODUCTION PROHIBITED

FROM

JMAKVE

ACTION

re: ~~WAVE 3~~

INFO

WR. FILE DDP.

PERSONNEL ACTIVITIES

ADVANCE COPY

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10Z	SS	SB
10Z	FEB 15	AB
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10Z	BP	(S)
10Z	SEC	BS

~~SECRET~~ 181509Z

DIR CIO WAVE 8419

RYBEC TYPIC YOBITE AMWORLD

REF WAVE 8261 (~~IN 69000~~)

Vn/B,004-13-11 83360

Security

1. ANCLATTER/I PROVIDED ADDITIONAL DETAILS REF 15 FEB 65 BY STATING RANSACKING AMBIDDY/I'S HOUSE ACTUALLY OCCURRED SOME TIME BETWEEN 1-3 FEB AND DISCOVERED BY MAID LUCY ACOSTA 3 FEB. FIORINI HOWEVER LEARNED OF RANSACKING ABOUT 1330 HOURS 13 FEB WHEN RCVD PHONE CALL FROM AMWORLD INTEL CHIEF (IDEN) WHO TOLD FIORINI THAT ALTHO HOUSE BURGLARIZED 8 FEB HE DID NOTHING UNTIL FIRST SPEAKING WITH AMBIDDY/I WHO OUT TOWN. AMBIDDY-I RECOMMENDED IDEN CONTACT FIORINI WITH REQUEST FIORINI CONTACT LOCAL AUTHORITIES IF ABLE DO SO WITHOUT PUBLICITY.

2. FIORINI, AFTER RECEIPT TELEPHONE CALL FROM IDEN CONTACTED PERSONAL FRIEND FRANK CAMPBELL, FORMER CHIEF INTEL METRO, WHO ADVISED FIORINI CONTACT POLICE CAPTAIN LEE NAPIR USING CAMPBELL'S NAME. FIORINI, WHO ALSO KNOWN TO CAPTAIN NAPIR, CONTACTED NAPIR WITH IDEN. NAPIR PROMISED MAKE INVESTIGATION WITHOUT MAKING REPORT.

3. MTG 15 FEB IDEN SHOWED NAPIR 24 PHOTOGRAPHS DEPICTING

~~SECRET~~RR
SUS/CH/PA

~~SECRET~~

17 81366
FREE R

BROKEN DOOR AND LARGE NUMBER DOCUMENTS SCATTERED OVER FLOOR. IDEN ALSO GAVE NAPIR FOLLOWING LIST MISSING ARTICLES: (A) ROLEX WRIST WATCH; (B) ANOTHER INEXPENSIVE WRIST WATCH; (C) RING WITH FOUR TWO CARAT DIAMONDS AND LARGE ZIRCON; (D) TWO EIGHTEEN CARAT GOLD NECKLACES; (E) ONE WOMAN'S IDENTIFICATION BRACELET, AND (F) ONE HIGH POWERED 308 MAGNUM RIFLE WITH TELESCOPIC LENS AND TRIGGER GUARD INSCRIBED "AMBIDY/I, LEADER OF REVOLUTION, FRANK FIORINI."

ALTHO SOME DOCUMENTS TAKEN FROM A/I'S HOUSE IMPORTANT PAPERS KEPT HOUSE SAFE WHICH NOT DISTURBED. IDEN WHO CONDUCTING OWN INVESTIGATION, TOLD NAPIR IDEN SUSPECTED HOUSE REPAIRMAN WHO RECENTLY WORKED A/I'S HOUSE WALDO BADO PEREZ, 1285 NW 29TH STREET TERRACE, MIAMI. BADO WHO HAS NO REGULAR MEANS INCOME RECENTLY BOUGHT WIFE 68 CORVAIR (65 FLORIDA LICENSE 1D-4378) AND PAST WEEK MADE PERSONAL GIFTS NUMBER FRIENDS. ALSO PURCHASED FOUR NEW TIRES HIS OWN 61 FALCON (65 FLORIDA LICENSE 1D-4382).

4. IDEN ALSO LOCATED JEWELRY STORE 964 WEST FLAGLER STREET WITH A/I'S ROLEX WRIST WATCH FOR SALE. IDEN HAD WIFE A/I VISIT STORE AND PURCHASE ROLEX FOR \$200 CASH PLUS \$43 STILL OWED SALESMAN NAMED GUILLERMO TABRAUE. WIFE A/I ABLE IDENTIFY WATCH BY TWO MARKS BACK WATCH. NAPIR PROMISED IDEN WOULD HANDLE INVESTIGATION JEWELRY

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STORE AND SUGGESTED IDEN PUT SURVEILLANCE CUBAN COFFEE SHOP
MIAMI EL GOZO.

5. AMCLATTER/I SAID THAT IDEN HAS NO CURRENT INFO INDICATE
"ESPIONAGE" OR "REVOLUTIONARY MOTIVATION" BEHIND ROBBERY.

6. INSPECTOR (CAPTAIN) F. L. MAPIER ASSIGNED DETECTIVE BUREAU
MIAMI POLICE DEPARTMENT POSSIBLY IDENTICAL CAPT MAPIR PARA TWO
ABOVE. FRANK CAMPBELL PROBABLY IDENTICAL FRANK KAPPEL FORMER METRO
CHIEF INTEL WHO RESIGNED WORK WITH STATE RACING COMMISSION.

7. NO SPECIFIC WAVE TRACES WALDO BADO PEREZ ALTHO ONE
WALDO PEREZ REPORTED MAY 62 AS HAVING HELPED ORGANIZE PROPAGANDA
AND MILITARY PLANS LIBERATION CUBA IN CUBAN LIBERATION ARMY (UFG
992; 1A MAY 62). WAVE TRACES GUILLERMO TABRAUE INDICATE HE POSSIBLY
IDENTICAL GUILLERMO TABRAU NUECER (201-283992).

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CLASSIFIED MESSAGE

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SECRET		TOTAL COPIES 6	CONFIDENTIALITY ASSUMED		
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TO:	SAN JOSE	103	SS	SD	
FROM:	DC/WRP/SA 3	ADVANCE COPY	<input type="checkbox"/> TELETYPE	<input type="checkbox"/> CABLE	<input type="checkbox"/> FAX
INFO:	MR. FILE, DDP	WFO	VIA E	100	00

~~CONFIDENTIAL~~
SECRET 281400Z
DIRECTIVE CITE SJOS 7483
RECEIVED TYPIC YOBITE ANWORLD

MANUEL ARTIME BUESA ARRIVED SAN JOSE 17 FEBRUARY ON PAA FLIGHT
381 FROM MIAMI.

SECRET

CFN

SECRET

201

W
201400Z 84348

SP
WLC

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SECRET 201927Z
 DIR WAVE 8522
~~DECLASSIFIED~~ BAE TYPIC YOBITE AMWORLD
 REF: WAVE 8521 (IN 85083)
 IDEN: JOSE ANTONIO MOLE ROSALES

SECRET

201927Z IN 85084

PR

CLASSIFIED MESSAGE		TOTAL COPIES	REF ID: A654345678901234567890	
SECRET		1	100	POLAROID
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		4	100	CD
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MR. FILE, DDP				

~~SECRET 201927Z
DIR CITE WAVE 8521~~

1. M 31004-1 201
Security

~~SECRET~~ TYPIC YOBITE AMWORLD

CESEIN - 1997-02

~~SENSITIVE~~ TYPIC YOBITE AMWORLD
REFS: A. WAVE 8261 (IN)
B. WAVE 8419 (IN ~~840000~~)
C. WAVE 8420 (IN ~~840000~~)

20FL-53E.35083

1. AMCLATTER/1, AS FOLLOW UP REFS, REPORTED 19 FEB 65 THAT MIAMI POLICE CAPTAIN NAPIR PHONED FIORINI 18 FEB AND ARRANGED FOR FIORINI AND AMWORLD INTEL CHIEF (IDEN) MEET WITH TWO POLICE SERGEANTS FORM POLICE HEADQUARTERS AT 1145 NW 11TH STREET MIAMI. MTG HELD FROM 1330 TO 1430 HOURS 18 FEB MAYFLOWER RESTAURANT NORTH MIAMI AVENUE AND 36TH STREET WITH SERGEANTS (FNU) DOWDA AND (FNU) MCCRACKEN

OF POLICE BURGLARY SQUAD. BOTH SERGEANTS SAID NAPIR INSTRUCTED THEM EACH TO
"KEEP CASE OFF REPORT". IDEN TOLD SERGEANTS THAT AFTER CAREFUL
CONSIDERATION HE AND AMWORLD BOTH CONCLUDE ROBBERY WAS "G-2
SPONSORED", POINTED UP FACT \$500 LEICA CAMERA AND TWO \$300 TAPE
RECORDERS VISIBLELY ACCESSIBLE NOT TOUCHED. ALSO SUSPECT SOME DOCUMENT
PHOTOGRAPHED. SURMISE INTRUDERS WANTED GIVE OUTWARD APPEARANCE ROBBED

2. FIORINI SAID ADDITIONAL INFO ON SUSPECT WALDO BADO PEREZ
INDICATE HE FORMER BRIGADE MEMBER. POLICE SERGEANT AND TROOPER

IN 854-10-

3) COULD HAVE CASED HOUSE FOR SOMEONE ELSE.

3. ACCORDING FIORINI BAPIR INSTRUCTED IDEW GIVE COMPLETE DETAILS IN WRITING ON STOLEN RIFLE AND MAIL REPORT TO HIM. BAPIR WANTS REPORT POSTMARKED AND ALLEGEDLY WOULD DISCLOSE CONTENTS ONLY TO CLEAR AMWORLD ANY COMPLICITY OR RESPONSIBILITY EVENT RIFLE USED BY UNKNOWN PARTY SOME FUTURE CRIME.

SECRET

JOSE ANTONIO ROSALES

REACI 8412 (10-20-68)

REACI 8411 (10-20-68)

REACI 8410 (10-20-68)

REACI 8409

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W. FILE, DDP, C/WN							

S E C R E T 231629Z

DIR INFORMATION PACY SJOS CITE CARA 0003

KARSSSENS TYPIC AMWORLD YOBITE

MARTINEZ AND RAFAEL QUINTERO ARRIVED CARA FROM PACS 20

FEB PAA 513. PLANS REMAIN CARA UN ^{TIL} 24 OR ² 25 FEB WHEREUPON

WILL DEPART FOR COSTA RICA.

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CFN

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CLASSIFIED MESSAGE TOTAL COPIES 7

SECRET		GROUP 1 REF ID: A1234567890	REPRODUCTION PROHIBITED		
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SECRET 2413Z

DIR PACY CITE SJOS 7468

1 YEAR TECNIC YOBITE ANWORD

~~SECRET~~ MANUEL ARTIME BUESA LEFT SAN JOSE 26 FEBRUARY FOR PACY ON LACSA

629.

SECRET

CFN

701

24 Feb 65 IN 86580

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SECRET

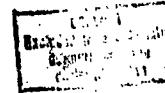
8 March 1965

MEMORANDUM FOR THE RECORD

SUBJECT: Phase-out of ARTIME Autonomous Group

1. On the night of 8 March 1965, the case officer for Manuel ARTIME Buena met with him and outlined the policy decision reached by the 303 Committee on 4 March. ARTIME was told the decision was to terminate our operational relationship in as friendly and cooperative manner as possible, but not later than 1 May 1965. The case officer had been empowered to convey this information and to conduct an exploratory discussion of the problems and possible solutions connected with a phase-out program. The two main points the United States Government was concerned with were (a) fair but reasonable demobilization support to the personnel of the autonomous group, and (b) ARTIME's assistance in insuring that the balance of power in Central America was not upset, particularly by preventing the weapons of his group from falling into the hands of political extremists or free-booters.

2. ARTIME had been on notice for several months that a phase-out might be ordered at any time, and had an inkling that the decision had been made because his regular monthly subsidy had not been received on schedule. He had obviously given the matter considerable thought and made up his mind as to his course of action when he arrived at the meeting. He began the discussion by summarizing the things he might have done had he been so inclined. Among the possibilities mentioned, he included loading up his troops and weapons and taking over Haiti as a base against Cuba, intervening in Costa Rica to bring down the liberal PLN administration in favor of a rightist junta of dissidents, or throwing in completely with General Anastasio Somoza in Nicaragua the weapons, personnel and equipment of the autonomous group. He has the capability of fielding an infantry battalion reinforced with artillery (4.2 mortars), supported by air and maritime elements, with a cadre of trained and combat-experienced Cubans, provided he teams up with an organization

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-2-

who can furnish about 1,000 men to flesh out the unit. Case officer acknowledged that we recognized his potential for harmful action, had considered it thoroughly, and hoped he would not do anything of the kind. ARTIME said he had also considered all the possibilities and concluded there was no point in his being childish and trying to "bite us about the ankles."

3. ARTIME accepts the decision and will cooperate in a phase-out program. He does not understand the rationale, and, of course, does not agree with the decision, but he acknowledges our prerogative to make it. If we really wish still to be friends, he is willing, just as he told Mr. Fitzgerald originally. He asks only that we help him make it possible to remain friendly and makes two requests from us: (a) help take care of his men and their families until they can rehabilitate and resettle themselves, and (b) do everything possible to get his parents out of Cuba.

4. The major elements to be considered in a phase-out were discussed with the following results:

a. Personnel. The first priority is support payments to dependents which were due 1 March in the total amount of \$100,000. This must be done soonest if ARTIME is to maintain control of the situation. The next most immediate problem is re-entry permission for fifteen of his men who have been stranded in Nicaragua trying to return to the United States since December. These men were exfiltrated "black" from the United States with our assistance and require special authority for re-entry from Department of State and Department of Justice, which we thought was arranged in early January.

The demobilization plan proposed by ARTIME seemed as realistic and effective as could be hoped for. He proposes to return the bulk of his men, approximately 200, to the United States during March and give them one month's pay on 1 April as a mustering out payment to support them and their families while they seek other employment. The balance of his men, less than 100, will be held in Central America for one month longer as a security and administrative force muster the group's equipment at Monkey Point from which disposition can be made during the month

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-3-

of April. The security force will be returned during April and will be paid a mustering out payment on 1 May. This will terminate the project.

The cover story which ARTIME intends to use for demobilization is to inform his men that their mother ship is out of commission and will require about six weeks for repairs. This is true enough so that it will be believed. He will then grant leave to all men with dependents to get their personal affairs in order before operations commence again. He will publicize the fact that it is less expensive and better for morale to send them on leave than to have men sitting around the camps with no operations to run. When all the first contingent are back home, individual notice will be given each to start looking for other work as operations have been postponed. They will be told that the salary payment of 1 April will be the last one and should be considered as a mustering out bonus. ARTIME feels this method will soften the impact and lower the noise level as the men will be home with their families and scattered throughout the community instead of being in an organized group in Central America when they realize they are being demobilized.

b. Funds. ARTIME had done his homework and brought with him facts and figures upon which phase-out costs could be estimated. These cost estimates are outlined below:

1 March - \$100,000	Dependents support and salaries
25,000	Travel from Central America to U.S. for approx. 200 men
50,000	Accrued debts due 1 March, mainly food and other expenses for camps in Central America
<u>\$175,000</u>	(In lieu of regular monthly subsidy of \$225,000)
<hr/>	
1 April - \$100,000	Mustering out payment for 200 men and salaries for security and administrative details
12,500	Travel from Central America to U.S. for approx. 100 men
12,500	Estimated food and other camp expenses
<u>\$125,000</u>	<hr/>

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-4-

1 May - \$ 50,000 Mustered out payments for
approx. 100 men and final
contractual obligations of
project

\$ 50,000

c. Weapons. ARTIME agreed that it would be in nobody's interest for his weapons to fall into the wrong hands. He was asked for ideas on disposition of the arms and came up with the following suggestion which appears to be an excellent one. The mothership, MV SANTA MARIA, is in need of repairs and must go into a shipyard. Tentative arrangements have been made to put her in the yards at Galveston, Texas, some time in March or April. ARTIME can order his security detail to store the arms aboard the ship for "security" reasons before she leaves for the yard. They will simply remain on board when the ship leaves and we can take control of the ship and the weapons from that point on.

d. Maritime.

(1) MV SANTA MARIA. See above. The ship would be sailed from Monkey Point with a contract crew supplied by Chester, Blackburn, & Roder, Inc. of New York, who are agents for the ship's owner, Liberian Corporation, a CIA proprietary company. One of ARTIME's senior officers would accompany the ship as his representative, with orders to turn over control of it and the arms upon its arrival at Galveston. CIA officers, possibly documented as Customs officials, would accept custody and Office of Logistics could recover the weapons and any other equipment which might be shipped by this method. The ship would then be disposed of according to Headquarters wishes at any time after 17 April when the charter arrangement with General SOMOZA expires and the ship legally reverts to control of the owner.

(2) Swifts, V-20's, Boston Whalers, rubber boats and other operational craft are all owned, technically, by ARTIME's group. He has had title to the Swifts legally transferred from a Costa Rican politician to one of his own senior officers. He wants to retain these craft for the time being, hoping against hope that lightning will strike and he may, after all, be able to use them in the next

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-5-

two months. Case officer recommends we go along with him on this, at least for the time being, as it could be sticky legally and might antagonize him at the time when we most need his cooperation. In the end, he should be reasonable about disposition of these craft if we shoot square with him in the meantime.

(3) Support craft, LCMs, Barges, etc. Disposition arrangements to be worked out together on these craft.

e. Aircraft.

(1) DC-3. ARTIME is willing to release the aircraft back to its "owners," TASA, a CIA proprietary company in Panama. However, one month's charter payment of \$1,250 was due 1 March, and another will be due by the time the aircraft can be returned. ARTIME was reluctant to let the plane go back without payment, but also reluctant to squeeze the \$2,500 out of his budget. Case officer voiced his opinion that the owner would probably be glad to get the plane back and would not likely think it worth going to court. However, in view of the fact that it would be a "closed-circuit" transaction and would actually cost the Government nothing, it is recommended that a special authorization of \$2,500 be channeled to ARTIME for payment in order to maintain ARTIME's reputation for fiscal probity. He will surely appreciate this gesture.

(2) L-30 Beaver and Cessna-180. These aircraft technically belong to ARTIME's group and recovery would be a sticky matter, legally. ARTIME hopes to hold control of these aircraft for the time being, and it is recommended that we go along with him, saving disposition arrangements until later.

5. ARTIME again emphasized at the close of the meeting that he must have soonest the March payments for families as an absolute minimum, before he would face his people and maintain control of them in order to insure an orderly phase-out program.

cc: C/WN
DCWHD/C
C/WI/C/CA

Carl E. Jenkins
WH/C/CA/EA

~~SECRET~~

~~SECRET~~
19 March 1968

MEMORANDUM FOR THE RECORD

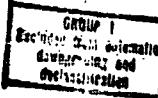
SUBJECT: Chief, WH remarks on Termination of AMWORLD

1. At a meeting with DCWHD/C and Mr. Jenkins on 18 March, Chief, WH expressed general satisfaction with the status of termination of AMWORLD and the plans therefor. He stated specifically that he was pleased with the cooperation of AMBIDDY-1 and AMJAVA-4 and would make it a point to inform higher levels in the Agency and the U. S. Government and put a good word for them on the record. He also directed that they be told:
 - a. He personally appreciates their cooperation and the good sense, goodwill and maturity they displayed in accepting and executing the U. S. Government decision to terminate their operations.
 - b. He wants to meet with them personally, at the earliest mutually convenient time, in order to discuss the situation with them.
 - c. After termination of the paramilitary project is completed, he has some other ideas for ventures of mutual interest which he wishes to pursue with them.
2. The gist of the above points had been passed to AMBIDDY-1 and AMJAVA-4 previously by Mr. Jenkins, and on the night of 18 March he confirmed by telephone to AMJAVA-4 that Chief, WH had expressed the above sentiments.

Carl E. Jenkins
WH/C/CA/EA

File:
AMBIDDY-1 201
AMJAVA_4 201
Policy

SECRET



DISPATCH

S E C R E T

DESENSITIZED

7-1

TO:

Chief, WSO

FROM:

Chief of Station, Caracas

SUBJECT:

PERUAN/AMNORLD - Future of AMBIDY 1/AMJAVA 4

ACTION REQUIRED REFERENCES

ROUTING & FORWARDING

a. COMM. GROUPS
b. DIVISIONS
c. AREA GROUPS

CANCELLATION

P R I O R I T Y

Action Required: For your information

Reference : DIR 98189

1. Ref cable raises a number of fundamental issues of concern to Caracas Station. In brief, we do not welcome an activation of the movement's center in Caracas, an event which would greatly complicate our operational situation. We have reasons for believing that the host government likewise would probably be embarrassed if AMBIDY 1 chose Venezuela as a base for whatever program he is planning to undertake. Repeated failures of his attempts at being received by President LEONI are significant in this context.

2. Since we must assume that AMBIDY 1 has alluded to his close ties with NEUMARK (and more specifically with SECKROFF), the Venezuelan security services may well jump to the conclusion that AMNORLD is in fact a NEUMARK operation and sooner or later we would be forced to disavow AMBIDY 1, a circumstance of which he would be bound to learn with consequent embitterment. All these predictable developments, Caracas is most anxious to forestall. Needless to say, both NECKROFF and OSTRICH are unhappy about this situation of conflict since it involves a man whom both admire and who (in their opinion) has served CORTOREL loyally, at times to the detriment of his abiding cause to liberate PRIMERO.

3. For the above reasons, we would welcome indeed if formal and institutional ties between AMBIDY 1 and AMJAVA 4 could be put in abeyance, at least to the extent that AMBIDY 1 be prevailed upon to pass up Venezuela as a base of operations. This discriminatory approach reflects our awareness that

(CONTINUED)

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3 - Chief, WSO

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201-567437

ORIGIN REFERENCE TO	RECEIVED DISPATCH NUMBER	DATE
	AMCA-19232	9 April 1969
IS CLASSIFICATION	REF ID: A6468	
DESENSITIZED	S E C R E T / KAROK	
		SOI - AMBIDY/1
		SOI - AMJAVA/4

AMBIDY 1 is to be welcomed to Venezuela as a man of real, genuine value. As we have already indicated, the most elementary standards of operability and credibility will be demanded. Accordingly, with regard to course pleasure, we trust that AMJAYA 4 would always be a penetrating influence. Should AMBIDY 1 get himself and his associates into serious trouble, the Station could not help but interfere with subsequent damage to our standing with the liaison services. We can further predict that the Venezuelan trade union movement (which is belligerently anti-AMCROSS) may view an active AMBIDY 1 sponsored program with disfavor and would avoid being obliged to bear on the Government to curtail or suppress the movement.

4. We realize that the Station's position, as set forth above, saddles Headquarters with an exceedingly delicate task. While as a last resort we could of course drop discreet hints to our Venezuelan liaison contacts suggesting the inadvisability of affording AMBIDY 1 and his associates sanctuary in Venezuela, we would only entertain that disastrous prospect as a last resort and with the full approval of Headquarters.

5. Another approach, only slightly less unsatisfactory, would be to restrict AMBIDY 1's radius of activity to an extent tantamount to denying him all freedom of political action while in Venezuela. But all in all, it would probably be best for KUBARK if AMBIDY 1 could be dissuaded from going through with his proposed move in a manner which does not hurt his pride and which does not alienate him from KUBARK. Headquarters may be able to suggest palatable alternatives to Venezuela.

6. As regards AMJAYA 4, we share some of Headquarters misgivings about surfacing him to Liaison. What prompted us to suggest this approach was a desire to overcome the difficulties which would be facing AMJAYA 4 in any case should he decide to make his home here. We are inclined to doubt that he could obtain permission to enter Venezuela in immigrant status without powerful intercession. He would be used by the Station on projects which we (and presumably the host government) view as compatible with Venezuela's national security interests.

7. Some of the doubts raised by were considered before we made our proposal. We are the issues of dual loyalty and dual control etc, because our objectives in building a more durable relationship with to entice them into joint ventures where dual control does exist. to serve the and suspicious which a man of AMJAYA 4's personality traits might help dispel.

8. With regards to the substance of our operations against PERU, especially those which are CB-oriented, there is a natural congruity of interests between OBYONE and Venezuela which renders joint pursuits in fact most desirable. More likely than not, DICKOW will do Station the favor of facilitating the admission of AMJAYA 4 and of providing him with viable cover, maybe including official (DICEPOL) documentation, and let it go at that. We rather doubt that unless prodded by Station DICEPOL would avail itself of AMJAYA 4's services, let alone use him to penetrate Station's operational program. This leaves in the balance the pros and cons of surfacing a valuable KUBARK asset to liaison.

9. general concepts guiding Caracas Station in desiring to recoup the AMJAYA 4 were spelled out in DUGA-18052.

10. In presenting Station's proposal to AMJAYA 4, the following points could be made:

- A. We do not propose that he sever his longstanding personal and political links with AMBIDY 1.
- B. We do not expect that he disconnect his links with the movement, let alone cease supporting its program.

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CONFIDENTIAL

REF ID: A65124
CLASSIFICATION

- C. We would expect ASUAVA & to disassociate himself from PAKISTANIS. However, as a continuing function of PAKISTANI'S leadership, within the movement, the reason being that a) he would do as far as the existing government is concerned be an undesirable association that PAKISTANIS is officially becoming associated.
- D. We would expect ASUAVA & to compartmentalize himself to the extent that he treat any knowledge acquired in his clandestine role as operational subject to the Station as privileged in the sense of not imparting it to anyone without a need to know. Specifically, this information would have to be withheld from ASUAVA & and other members of the movement.
- E. ASUAVA & will have to make a clear choice between serving the cause of PAKISTANIS liberation by actively associating himself with ASUAVI (a desired understanding if our reading of the situation is correct), or by countering PAKISTANIS's program to support PAKISTANIS under Station control.



J. W. Clegg
SAC, FBI - BOSTON

- 14 00000
- 7
- 2.a A-MWORLD/1 told me A-MWORLD/2 went to Spain on 15 May for 2 or 3 months vacation. A/4 said later that A/2 was starting a new business in Spain and wanted him (A/4) to move over there and manage it for him. A/2 left William King, the Vice-President in charge of Maritime Bank in his absence. A-MWORLD/1 has always had ultimate control of the AMWORLD funds and has simply been exercising closer personal control of them since A/2 is gone.
- 2.b A-MWORLD/1 told me that he is selling off some of the equipment which is not suitable for his current program of Community Development/Livie Action in Latin America in order to raise money to obtain equipment and materials that will be needed. For example, he has bought 22 acres of farm land near West Palm Beach to establish a model farm for training purposes. He has been conducting evening classes for several weeks for about 20 MNR men, who are working full time at other jobs, in rural Community Development. He has gotten some training materials and advice from Prof. George Lodge of Harvard, who, according to letters from him, appears to be enthusiastic about his contact with A/1 and his organization.
- 2.c A/1 says his only political plans at this time are to try to continue holding his movement (MNR) together while he changes its emphasis and direction toward the constructive activity of help in Community Development for friendly Latin American countries and away from the PR emphasis for which we supported him in the AMWORLD program. The farm in Nicaragua to cultivate rice is a planned cooperative on the east coast (Bluefields - Monkey Point) to complement a shrimp fishing cooperative and boat yard at Bluefields which he has already discussed with President Schick, who requested him to go ahead. A/1 and the MNR part in these enterprises is purely advisory in training local residents and helping them to organize and build facilities. A/4 reports, and A/1 himself admits, that he is simply feeling around now trying to get all the information and ideas he can about this new field of endeavor. (For example, A/1 just bought 300 baby chicks to work with in order to find out they can best fit into a rural development program.)
- 2.d Of course, AMWORLD is finished and all members of the organization know it. A/1 and A/4 have both told me they have made it clear to all hands and have advised them to get jobs immediately in order to support their dependents. Most of them have done so, several going back to work for WAVE, for instance. The death of AMWORLD and the reorganization necessary to go into a new phase (Community Development) is no doubt causing a crisis in the MNR, but both leaders believe the movement will weather the crisis and survive. Mr. Tom Clines, who talked with other members of the MNR, believes the same thing, and is certain it will survive with enough support from Washington to pay for publicity, travel, and administrative costs.
- 3.a There are 5 men at Monkey Point where one cache (a platoon) of weapons is stored. The other two are located at Bluefields and at Managua, under control of the Nicaraguan National Guard. The MNR delegate at Managua is the only person who can authorize their release, and this must be on written authority of A/1 and approved by General Somoza. The 5 men at Monkey Point are simply station-keepers who, in addition to guarding the camp and weapons, are teaching the local Indians to read and write, to operate and maintain basic machinery, and to plant crops to raise their standard of living. There has been no evidence from any source of any attempts to sell AMWORLD arms or ammunition.

3.e

It is not clear what this source is trying to report, but presumably he is trying to indicate that A/1 is hoarding the AWORLD money he has been issued for his personal use. Anyone who knows A/1 knows that the last thing he will ever give up is his magazine and radio broadcasts. The ability to make speeches and have them printed and see his picture reproduced is the top requirement in his makeup. The next most important requirement is the capability to travel and hob-nob with Heads of State and other ^{int'l} at which he excels. These two attributes are of considerable ^{int'l} value, as witness the fact that Mr. Fitzgerald has insisted on retaining these capabilities for A/1 to use in behalf of the Agency. They are certainly more important to him than money, as such, concerning which he is incredibly naive and disinterested. He is notorious for having to have somebody else go around with him to be sure he has necessary documents and money, otherwise he would never have a dime in his pocket. I checked further on this point with A/4 at our last meeting on 27 June and he said there was no evidence of A/1 pilfering the till, the problem if any was simply honest mismanagement. We should remember that A/1 has been paid a salary, with HQ's agreement and at our suggestion for that matter, of \$1,000 a month. AWORLD/2 made it a point to deposit the check in A/1's personal account every month, and A/2 maintained de facto control of the account. A/1 told me this incident because he was amazed to find when A/2 left for Spain and turned the records of the account over to A/1, he found that he had 4 or 5 thousand dollars in the bank, the most he had ever owned in his life. In addition to this salary, it should be remembered that A/1 is a co-author of the "Bay of Pigs" book, which was worth several thousand dollars to each of the 4 co-authors.

Note: This line of reporting has been going on for at least the past 2 years in the case of A/1 and is typical of the incessant gossip and character assassination within the Cuban exile community in Miami that has been going on for the last 5 years. While certainly no paragon of virtue or of efficiency, it will take more than this to convince me A/1 is a crook. In the first place, AWJAVA/4 would be the first one to put the finger on him if he started misappropriating MRR funds or otherwise playing games that would hurt the movement. In the second place, A/1 is too disorganized to be an effective crook, even if he tried, and it would show up in more concrete form than this report.

[Signature]

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~~REFURBISHED~~ TYPIC AMWORLD

AMBIDY-1 TOLD ZABOTH HE HAD MEETING PRES LEONI IN MARCH, PRES VALENCIA 7 APRIL, AND PLANS SEE PRES ROBLES 22 OR 23 APRIL. PLANS RETURN VIA COSTA RICA FOR TALKS PRES ORLICH AND FONMIN ODOBER AND NICARAGUA TO SEE PRES SCHICK AND GEN SOMOZA. THEN TO GUATEMALA FOR MEETING PRES PERALTA AND GIVE HIM COMPLETE BRIEFING ROBERTO ALEJOS COUP PLOTTING, WHICH INCLUDES SOME FORMER MRR PEOPLE FOR WHOM A-1 WISHES DISCLAIM ANY RESPONSIBILITY. DURING WEEK 3 MAY HE HOPES MEET DAINOLD TO REPORT ON TERMINATION AMWORLD AND DISCUSS ANY OTHER

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TOPICS DAINED WISHES.

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IN 50512
PAGE 2

2. A-1 FUTURE PLANS APPEAR INVOLVE SELLING IDEA OF PROGRAM TO CASTRO/CUBAN THREATENED COUNTRIES WHICH INCLUDE (1) INTERDICTION CUBAN INFIL OPS, (2) PENETRATE AND ELIMINATE INTERNAL CASTROITE OPS, (3) POSITIVE CIVIC ACTION PROGRAM BASED ON "COMANDES RURALES" WHICH WAS BASIS MRR STRENGTH RURAL CUBA AND CONCEPT A-1 DEVELOPED WHICH CASTRO CONTINUED AFTER A-1 DEFECITION. HE BELIEVES SMALL TEAMS TRAINED AND EXPERIENCED CUBANS WORKING DIRECTLY WITH LOCAL GOVT COULD CONTRIBUTE SIGNIFICANTLY TO LATIN AMERICA COUNTER INSURGENCY PROGRAMS. FEELS WOULD BE IN ODOYKE INTEREST TO ASSESS BUT WILL LEAVE SUCH NEGOTIATIONS TO LOCAL GOVT.

4. INDICATIONS ARE A-1 MAY ASK DAINOLD IF IN RETURN FOR OPS INTEL AND POL ACTION ON HIS PART, KUBARK CAN CONTINUE ASSIST HIM IN BROADCASTS TO CUBA, MRR MAGAZINE, DELEGATES IN CARIBBEAN AREA, AND CONTINUED CONTACT WITH THE AMASH GROUP INSIDE CUBA (THEY ARE STILL IN COMMUNICATION). HE INSISTS HIS BASIC ORGANIZATION CONTINUES AND WILL SURVIVE, WITH SOME MEMBERS WORKING IN FLORIDA, NICARAGUA, AND OTHER PLACES, PLUS EXPANSION LEGITIMATE BUSINESS INTERESTS BY PEOPLE SUCH AS

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Chiriqui

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3

JACO MESA, RICARDO ARIAS, MAROLIN HERMANDEZ, ETC. TA-1 SAY AMJAVIA-1 BOTH SAY THEY INTEND MOVE FROM FLORIDA AND ESTABLISH RESIDENCE CENTRAL AMERICA OR VENEZUELA TO ESCAPE FATE OTHER EXILE LEADERS WHO STAYED IN MIAMI AND ABLE ONLY TO TALK, NOT TO CONTINUE USEFUL WORK.

5. A-1 APOLOGIZED FOR ANY PROBLEMS CAUSED BY PRANK HE PLAYED COLOMBIA. SAID HE MET AND ACCOMPANIED BOTH BY CUBAN WELL KNOWN KUBARK AGENT AND A-1 CONFESSED SOME EXAGGERATION AND SHOW JOBS FOR HIS BENEFIT. HOPES REPORTS WILL BE CONSIDERED THIS CONTEXT AND TAKEN WITH GRAIN OF SALT. SAID HE ACTUALLY HAS NO COMMITMENT FROM COLOMBIA, MET WITH PRES VALENCIA FOR TWO HOURS, ONE HOUR TALKING POETRY, ONE HOUR TALKING OPS. NO DECISION BUT VALENCIA WISHES TALK AGAIN AFTER TIME TO CONSIDER POSSIBILITIES. ABOUT THE SAME RESULTS

VENEZUELA ALTHOUGH LEONI APPEARED MORE INDECISIVE

NOT SURE CHRISTIAN DEMOCRAT SUPPORT.

R E X DISSEM PER PYBAT TYPIC YOBITE ANWCA
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27 April 1965
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27 April 1965

MEMORANDUM FOR: Chief, WH Division

SUBJECT : Present Activities and Possible Future Plans of Manuel Arturo Buena

1. Present Activities:

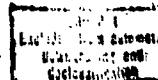
During the past six weeks Manuel Arturo has devoted his time to the task of disbanding his paramilitary establishment in Nicaragua and Costa Rica. Arturo has returned most of the arms and equipment provided him by this Agency. This includes the mother-ship, nearly all of the heavy weapons such as mortars, machine guns and artillery pieces, as well as other miscellaneous items such as communications vans and earth-moving equipment. The small arms not recovered from Arturo are sufficient to equip an infantry company.

2. Future Plans:

During the same period Arturo has attempted to gain support for a plan by which he, and a small nucleus of his paramilitary force, would conduct counterinsurgency-type operations against Castro-supported rebel bands operating in several Latin American countries. Arturo has outlined these proposals to Presidents Leon Valencia of Colombia and Marcos Robles of Panama, and endeavored to obtain an interview with Raul Leoni of Venezuela, but has been able to conduct conversations on this proposal only on the Venezuelan Cabinet level.

To implement such a scheme Arturo envisions using a small group of highly-trained individuals plus

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two fast motor launches originally provided to him by this Agency. Artine would use this force to patrol the coasts of one or the other of the aforementioned countries to prevent the smuggling of arms and/or general contraband. In exchange for this service, Artine would receive the permission of these governments to keep any arms which he might capture in the course of these patrols. In addition, he would be allowed to maintain bases of operation from which to launch attacks against Cuba. So far none of these governments has made any commitment to Artine. He claims, however, that both Presidents Valencia and Robles have expressed interest in his proposals.

Artine has requested an interview with this Agency, presumably to discuss his future, during which it is expected that he will bring up his scheme as outlined above.

John L. Hart
DCMHD/C

HSP/WE/C/CA/EA/ADBohlfing:bh (27 Apr 65)

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1 - WE/C/CA/EA

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26 April 1965

MEMORANDUM FOR: Chief, Western Hemisphere Division
SUBJECT: Present Activities and Possible Future
Plans of Manuel Arturo Díaz

1. Present Activities

For the past six weeks Arturo has devoted his time to disbanding his paramilitary establishment in Nicaragua and Costa Rica. He has:

- a. returned most of the arms and equipment provided him by us.
- b. returned the mothership.
- c. returned nearly all the heavy weapons including mortars, machine guns, and artillery pieces.

The small arms not recovered are sufficient to equip an infantry company.

2. Future Plans

Arturo has attempted to peddle a plan to the Venezuelan, Colombian, and Panamanian governments utilizing the nucleus of his paramilitary force. Essentially this program is the same for all three countries and involves a

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gold pro quo arrangement whereby:

a. Arturo would use his forces to patrol the coast of those countries and prevent smuggling of arms and/or general contraband.

b. Arturo would receive, in exchange for this service, permission from those governments to keep any arms which he might capture and be allowed to maintain bases from which to launch operations against Cuba.

Some of the specifics follow:

Colombia

Arturo wants petroleum, food, and clothing from the government for a group to be stationed there and a beachhead to establish a camp.

If there is a landing in Cuba, Arturo wants immediate recognition by the Colombian Government as head of a government in exile.

Arturo would guarantee to stop all smuggling and would patrol from Bocas to the Panama border. He would also guarantee to solve the guerrilla problem by using two MNR groups. One strong to conduct operations against Cuba and the other to act as instructors and field advisers to the Colombian army.

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-3-

Artine would seek private financing from wealthy Cuban exiles and Latin American sympathizers.

Panama

Artine would start a "comandos rurales" operation, similar to that which was the base of MRR strength in rural Cuba.

Artine would launch a civic action program and also would interdict Cuban infiltration operations.

The above plan would be carried out mainly in Chiriquí Province.

Miscellaneous

We have no information on what Artine proposed in Venezuela but assume it is much the same as for Colombia and Panama. We also believe Artine may ask CIA to continue to assist him in radio broadcasting to Cuba, financing the MRR magazine, and helping him maintain continued contact with the Cubela group. This would be in return for his counter insurgency program outlined above.

JOHN L. MART
POWER/C~~SECRET~~

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701

MEMORANDUM FOR: Chief, WH Division
SUBJECT : Proposed Meeting Between
Chief, WH and AMBIDDY-1

1. AMBIDDY-1 went to Nicaragua on 11 May 1965 to remove his remaining men and equipment from that country and to complete secure storage arrangements for the small arms which he has retained. He has a meeting scheduled with General Peralta in Guatemala later this week and expects to be back in Miami by 17 May.

2. He hopes to meet with Chief, WH at any convenient time thereafter to report on the disbanding of AMWORLD and to discuss any other matters which may be of mutual interest. AMBIDDY-1 has indicated that he is willing to continue cooperating with the Agency by furnishing information and undertaking political action tasks as required. He hoped that the Agency, in turn, will be able to assist him in financing a limited publicity program consisting mainly of radio broadcasts and the HER magazine. This would help to keep his movement alive and maintain him as a recognized exile leader who would thus be of continued value to the Agency in activities of mutual interest.

3. We suggest that his witting deputy, AMJAVA-4, might be invited to visit Washington at the same time to participate in other discussions concerning possible activities in the future. It would be appreciated if Chief, WH were able to set a convenient date for a meeting in order that we may notify AMBIDDY-1 in advance.

John L. Hart
DCI/C/C

BOP/WH/C/CA/EA/CEJenkins:bk (13 May 65)
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1 - WH/C/CA/EA

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17 May 1965

MEMORANDUM FOR THE RECORD

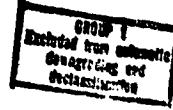
SUBJECT: Proposed Meeting with AMJAVA-4

1. In addition to the matter of meeting the ANWORLD Swifts on their arrival in New Orleans, AMJAVA-4 indicated he was even more interested in talking with me about AMBIDET-1's present frame of mind and plans for the future, about some of which he is a little concerned. AMJAVA-4 intends to see AMBIDET-1 for a few days the first part of this week and will try to get a complete and current reading from AMBIDET-1 during this time. AMJAVA-4 wants to discuss this in detail with me prior to the meeting of AMBIDET-1 with Chief, WH, presently planned for the week of 24 May.

2. AMJAVA-4 also wishes to discuss the two job offers he has received from the Agency, ie, a job with Caracas Station, or to go into university level training in a holding capacity for future commitment to a post-Castro Cuban regime. He has some topics for discussion concerning last-minute questions in the close-out of ANWORLD and disposition of some of the key personnel of the organization.

Carl E. Jenkins
WH/C/CA/EA

File:
Policy
AMJAVA-4 201
AMBIDET-1 201

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Meeting with AMJAVA-4 in New Orleans, 21-23 May 1968

Project: AMBISON-1 Activities

1. AMJAVA-4 said he had talked only briefly with AMBISON-1 on his return from Guatemala and Nicaragua (21 May, just before A-4 left to meet me in New Orleans). A-1 said he had talked with General Peralta in Guatemala and had disclaimed any connection with Roberto Alejos' coup plotting or the former MRR Cubans who had been involved with it. He had also outlined his proposal for Peralta to consider whereby A-1 and the MRR would undertake, at the invitation of the local government, to assist in countering Castro/Communist infiltration and subversion, and to help develop rural civic action programs as a positive counter-insurgency program. A-1 claimed that Peralta seemed very seriously interested in the proposals and appeared quite appreciative that A-1 had been able to visit him. A-1 expects that Peralta will wish to talk to him further in regard to his counter-insurgency proposals.

2. A-1 also talked again with President Schick in Nicaragua about the above proposal. Schick had thought over their previous discussion and approves a pilot program to be run on the east coast, with the rural civic action program near Bluefields. This will allow A-1 to keep a few of his men in the country to work on the program while maintaining security of the weapons he has stored there. A-1 also talked with Luis Somoza, at the latter's invitation, but indicated there was nothing new or interesting from this source.

3. A-4 is not sure himself how much A-1 has been able to accomplish in his visits in Central and South America, and how much of his reporting is wishful thinking. He is not ready, however, to sell A-1 short and has watched him "selling ice-boxes to Eskimos" successfully over too long a period of time.

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-2-

4. A-1 decided to come to New Orleans on the night of 24 May in order to meet the two Swift boats at Morgan City on 25 May (their latest ETA). Having done all the preliminary leg work and made all the arrangements, A-4 decided both of them would not be necessary and he planned to return to Miami the night of the 24th. I promised to contact both of them by phone on Tuesday night (25 May) to make sure the Swifts get in with no problems, and to inform A-1 a firm time for his meeting with C/WI (scheduled for 1800, 27 May).

Carl E. Jenkins
W/C/CA/EA

File:
Guatemala
Nicaragua

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CAP

2 JUN 1965

MEMORANDUM FOR: Chief, WH Division**SUBJECT :** Interview between Mr. George Cabot Lodge and Manuel Artine Buesa

1. Pursuant to your conversations with Manuel Artine on 27 May 1965, the latter has expressed a desire to meet with Mr. George Cabot Lodge in order to further discuss practical means of implementing a civic action program in Nicaragua.

2. Artine's current plans and schedule are as follows: 2-4 June in Miami, Florida; 4-12 June in Nicaragua; 12-14 June in Panama; 14- possible trips to Colombia and Guatemala.

3. Artine emphasized, however, that he could review this schedule if need be in order to meet with Mr. Lodge in Cambridge, Mass. or any other location at Mr. Lodge's convenience.

(Signed) John L. Hart

John L. Hart
DCWHD/C

DDP/WH/C/CA/EA/ADRohlfing:bh (2 June 65)

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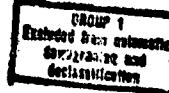
3 June 1965

MEMORANDUM FOR: Chief, W/POLB
ATTENTION : Mr. J. De Stefano
SUBJECT : Background Sketch on Dr. Manuel Arturo Buesa

1. Manuel Arturo Buesa, a non-practicing medical doctor, began his political activities in Cuba during the year 1959 when he participated in the formation of a civic action type program known as the "Comandos Rurales." The Comandos Rurales actively participated with the Castro regime during its initial agrarian reform, but eventually broke with it due to Castro's shift to Marxism-Leninism. It was at this point that Arturo formed the Movimiento de Recuperacion Revolucionaria (MRR, Movement for the Recovery of the Revolution), a political organization which he heads up to date. The degree of Arturo's activities in the civic action program was reflected by the fact that Arturo, prior to his break with Castro, had been appointed a deputy in the Instituto Nacional de la Reforma Agraria (INA) for Oriente Province. Arturo's first contact with the Agency took place just prior to his open break with Castro and he was exfiltrated from the island by the Agency. Arturo dedicated himself to the continued development of the MRR until called upon by the Agency to be the political representative for the Cuban Brigade 2506 which landed at the Bay of Pigs. Arturo was captured and sentenced to be executed. This was later commuted by Castro to life imprisonment. In 1962 Arturo was among those repatriated to this country under the prisoner exchange.

2. In mid-1963 the Agency again asked Arturo to head an autonomous paramilitary organization made up and trained exclusively by Cubans and funded by the Agency. Subject set

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up a series of training camps in Central America. Using the political banner of the MRR Artine's group conducted several paramilitary operations against the island of Cuba with varying degrees of success. In early 1965 by order of the 303 Committee it was decided to phase out the Agency's support to Artine since it was felt that paramilitary operations against Cuba were futile and ineffective. Although he disagreed with this decision, Artine has been fully cooperative in disbanding his organization. The paramilitary wing of the MRR is now completely disbanded, and a few political representatives remain in Central America and Florida.

3. Subject is currently attempting to re-enlist the Agency's support in order to keep his political organization intact. If approved by the 303 Committee, Artine's MRR will receive a small subsidy. Artine also plans to establish a civic action program along the lines of the Comandos Rurales in various Central and South American countries. In such an endeavor Artine would be strictly on his own without any support from the Agency.

4. It is in order to discuss this future program that Artine is anxious to meet with Mr. George C. Lodge, Jr. The undersigned, who is subject's current case officer, is ready and willing to contact Mr. Lodge directly and travel to Cambridge should this be useful. Artine permanently resides in Miami, Florida and his telephone number is: (305) 754-8144.

Carl E. Jenkins
WB/C/CA/EA

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3 June 1965

MEMORANDUM FOR: Deputy Chief, WHD/C

SUBJECT : Support for Manuel Artine and the
MRR for the month of June 1965

1. On the basis of the discussion on 27 May between Chief, WH and Manuel Artine, we are currently in the process of submitting a recommendation to the 303 Committee that we maintain contact with Artine and render support to him on a modest basis. His monthly operating budget, which he submitted to us, would enable him to keep the MRR alive as a recognized exile political organization, and would allow him, personally, to maintain his status as an important exile leader. This would, in turn, continue his access to heads of state and other leading political figures in Latin America.

2. Pending action by the 303 Committee, it is recommended that you grant approval to fund Artine and the MRR for the month of June 1965, on the basis of the following budget estimate:

a. MRR delegates

Spain	\$ 500
Honduras	350
Guatemala	350
Colombia	400
Costa Rica	350
Venezuela	450
HQS office expenses	800
	\$ 3,200

b. Publishing costs of MRR
magazine "Tridente"

\$ 2,860

c. Radio broadcasts to Cuba
in name of MRR

\$ 1,805

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SECRET

-2-

d. Travel costs of Artine and MRR officers	\$ 2,000
e. Support of dependent families and survivors of MRR members (mostly in Cuba)	<u>\$ 5,000</u>
Total	\$14,865

3. If approved, these funds will be channeled through
the secure AMWORLD funding channels, which are still in
operation.

Carl E. Jenkins
Carl E. Jenkins
WH/C/CA/EA

APPROVED:

John L. Herk
Deputy Chief, WHD/C

cc: WH/B&F

SECRET

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(Data Filled In)

Jui

REQUEST FOR PAYMENT OF CONFIDENTIAL FUNDS	AMWORLD/AMBIDDY	DATE	VOUCHER NO. (Finance use only)
	TO Monetary Division	4 June 1965	

CONFIDENTIAL FUNDS ARE REQUESTED FOR OFFICIAL BUSINESS OF A CONFIDENTIAL, EXTRAORDINARY OR EMERGENCY NATURE AND ARE INTENDED FOR USE AS FOLLOWS:
Deposit to AMBIDDY/1 INWOVEN Account for extraordinary expenses

I certify to the best of my knowledge and belief that subsidy funds previously made available to AMWORLD have been or are being expended for authorized objectives of the activity and further support is warranted.

Carl E. Jenkins

		PAYOUT INSTRUCTIONS	AMOUNT
AMBIDDY/1		On file in Monetary Division	\$14,865.00
THE AMOUNT REQUESTED IS DUE THE PAYEE FOR SATISFACTORY PERFORMANCE OF DUTIES IN ACCORDANCE WITH THE TERMS OF HIS CONTRACT OR OTHER WRITTEN OR ORAL AGREEMENTS. (To be signed when applicable)			
DATE	TITLE	SIGNATURE	APPROVED
	WH/C/CA/EA	Carl E. Jenkins	DCWHD/C
CERTIFICATE FOR PAYMENT OR CREDIT			
DATE	SIGNATURE OF CERTIFYING OFFICER		
RECEIPT FOR FUNDS			
I ACKNOWLEDGE RECEIPT OF FUNDS TO BE USED FOR THE PURPOSE STATED ABOVE			
DATE	AMOUNT	SIGNATURE OF PAYEE	
6/4/65 WH/B&P			

SPACE BELOW FOR EXCLUSIVE USE OF FINANCE DIVISION

PREPARED BY	REVIEWED BY	VOUCHER NO. 7-12										
DESCRIPTION-ALL OTHER ACCOUNTS 13-33 26-33 T/A NO. P.O. NO. PROJECT NO.		34-39 STATION CODE PROJ. NO. 1010	40-42 EXPEND CODE F U D S	43 PAY U N L D S	45-46 PER. REF. LIQ. CODE	47-52 OBLIG. REF. NO. ADVANCE ACCT. NO. EMP. NO.	53 GENERAL LEDGER ACCT. NO.	54-57 GENERAL LEDGER ACCT. NO.	58-67 ALLOT. OR COST ACCT. NO.	68-70 DUE DATE	71-80 AMOUNT	
DESCRIPTION-ADVANCE ACCOUNTS 13-33 26-33 T/A NO. P.O. NO. PROJECT NO.									68-67 CE. NO. E. REF. NO.	OBJECT CLASS	DEBIT	CREDIT
TOTALS.												

FORM 500 USE PREVIOUS EDITIONS.
2-60

SECRET

723

Fin
DR (avb)

Miami 4 de Junio de 1965

Srs. del Consejo de Liberacion
P.O. Box 8697.Baltimore 40 Md.

Srs del Consejo:

Disculpen la molestia de solicitar de Vds.
la aprobacion de un presupuesto de emergencia para cubrir las necesidades
mas urgentes del mes de Junio desde el punto de vista netamente civil.

El presupuestoes el siguiente:

a) DELEGACIONES:

Costa Rica	-----	\$ 350.00
Venezuela	-----	450.00
Espana	-----	500.00
Honduras	-----	350.00
Guatemala	-----	350.00
Colombia	-----	400.00
		\$ 2,400.00

b) REVISTA "TRIDENTE":

\$ 2,860.00	\$ 2,860.00
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c) Hora Radial:

\$ 1,805.00	\$ 1,805.00
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d) Oficina para Hora Radial y Revista:

\$ 800.00	\$ 800.00
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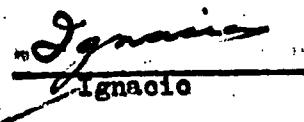
e) Viajes por Latino-America:

\$ 2,000.00	\$ 2,000.00
-------------	--------------------

**f) Ayuda al personal que se encuentra
en el interior de Cuba y familiares de
presos que nos siguen informando desde
dentro (informes como los quedajuntamos)----- \$ 5,000.00**

TOTAL: \$14,865.00

Pidiendo la mayor rapidez en la aprobacion de este presupuesto de
emergencia para Junio, se despide de Vds. muy atte.


Ignacio
 Ignacio

DEO : C. E. JENKINS:16
UNIT : WH/C/CA/66
EXT : 4850
DATE : 5 JUNE 1965

MESSAGE FORM
TOTAL COPIES 26

FILE SECRET NO INDEX FILE IN CS FILE NO.

ON RETURN TO SENDER FILE 600

ROUTING

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TO : GUATEMALA CITY

INFO: JEWAVE, PANAMA CITY, NORFOLK

FROM: DIRECTOR

COPY: WH/c 3

FILE NO COPY

WAVE, PACT, LANT

16781

TO : ~~WAT~~

INFO: WAVE, PACT, LANT

GIVE ONE

REF: GUAT 4922 (IN 80580)

TYPIC AMBIDY ONE

1. AT MEETING WITH DAIMOLD ON 27 MAY, AMBIDY ONE REPORTED ON HIS MEETINGS WITH PERALTA AND PONCIANO. SAID PERALTA HAD INVITED HIM TO VISIT SEVERAL MONTHS AGO. AMBIDY ONE SAID HE TOLD PERALTA FORMER MRR MEMBERS IN RECENT ROBERTO ALEJOS COUP ATTEMPT HAD NO CONNECTION AND NO SUPPORT FROM AMBIDY ONE. MAIN THRUST OF TALK WITH PERALTA WAS ON COUNTER SUBVERSION, INTERNAL SECURITY, AND NEED FOR EFFECTIVE CIVIC ACTION PROGRAMS. AMBIDY ONE SAID PERALTA ASKED AND GOT HIS FRANK OPINIONS ON EACH SUBJECT. SAID HE TOLD PERALTA THAT YON SOSA WAS MAIN THREAT. PERALTA SAID HE UNDER CONTROL, BUT AMBIDY ONE TOLD HIM SO LONG AS YON SOSA SURVIVES AND HAS FOLLOWING WITH EXTERNAL CONTACT AND SUPPORT HE IS NOT UNDER CONTROL. AMBIDY ONE SAID PERALTA MUCH INTERESTED HIS IDEAS AND ASKED HIM COME BACK FOR FURTHER DISCUSSIONS SOON.

2. AMBIDY ONE ALSO TALKED WITH PONCIANO BRIEFLY. SAID PONCIANO CLAIMED ~~HE~~ HAVE ORGANIZED SUPPORT AND READY MOVE AGAINST PERALTA. IN AMBIDY ONE OPINION, PONCIANO IS SIMPLY ANOTHER INVETERATE PLOTTER.

(CONTINUED)

RELEASING OFFICER

COORDINATING OFFICER

SECRET

COPY 1
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downgrading and
declassification

AUTHENTICATING
OFFICER

COPY NO.

REPRODUCTION BY OTHER THAN THE ISSUING OFFICE IS PROHIBITED.

OPR 1
SERV 1
EXT 1
DATE 1

INDEX
 NO INDEX
 FILE IN CS FILE NO.

TOTAL COPIES

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ROUTING	
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3	7
4	8

TO :

FROM: DIRECTOR

PAGE TWO

COPIES:

REF ID: VR . FILE RID COPY

INFO

CITE 604

16781

WHO WILL SEIZE A GOOD OPPORTUNITY IF IT APPEARS, BUT IS NOT SERIOUSLY WORKING TOWARD A COUP AT PRESENT. FYI, AMBIDY ONE CURRENTLY HAS NO CAPABILITY FURNISHING SIGNIFICANT SUPPORT IN MEN OR MATERIAL TO ANY COUP GROUP, EVEN IF HE AGREED, WHICH HE DENIES. ON BASIS PAST PERFORMANCE OTHER CENTRAL AMERICAN COUNTRIES, BELIEVE AMBIDY ONE NOT LIKELY ALIGN SELF WITH ANY POLITICAL FACTION WITHOUT HQDS APPROVAL.



DESMOND MCDONALD
C/WHD

O/N/E/B/Guatemala *Reynolds*
O/N/E/B *Ortman* D.

WH/C/Int'l Mr. Ortman (in draft)

COORDINATING OFFICER

SECRET

John T. Flynn
JOHN L. HART
DO/WH/CUBA
AUTHENTICATION
OFFICER

REPRODUCTION OR USE OTHER THAN THE ISSUING OFFICE PROHIBITED.

REF ID: VR

SECRET

7 June 1965

MEMORANDUM FOR THE RECORD

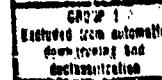
SUBJECT: Contact of Manuel Artine with Professor George Lodge and with Col. Barrientos of Bolivia

1. I talked with Manuel Artine by phone the night of 4 June. He said he had received a call from Professor Lodge that afternoon but was not at home to talk with him. (This was obviously a follow-up from the offer made to Artine by Chief, WH to put him and Lodge together on his proposed civic action activities.) I told him there was no reason he should not return the call and arrange for a meeting with Lodge at their mutual convenience.

2. Artine said that was his first reaction, but before he could make the call another message had come in from Col. Barrientos of Bolivia asking if he could visit the country for the benefit of his advice and counsel and offering to send a Bolivian Air Force plane to pick him up and bring him to La Paz. I asked if he were acquainted with Barrientos or an expert on Bolivia and he said he knew no more about either of them than what he had read in the papers. He had no idea of the reason for the invitation, but wanted to check with us and find out if we had any requirements for him in case we wanted him to make the visit. I told him I would check with Chief, WH next morning and call him back.

3. On the morning of 5 June I called Artine. He said Professor Lodge had called him at 0700 that morning and told him he was interested in getting together with him. Lodge said he would be in Panama on 14 June, and Artine said he planned to be travelling in that area at that time and could easily meet him there. Artine told Lodge he was willing to make a trip to Boston to see him earlier and that after such a preliminary meeting, the next meeting in Panama would probably be more useful. Lodge seemed delighted and invited Artine

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-2-

to lunch with him on 9 June. I suggested to Artine that he plan to meet Lodge on 9 June, stop in Washington on the way home where I could meet with him (and furnish him a briefing on Bolivia which he desperately requested). I suggested he send a message to Barrientos saying he could be in Panama on 11 June and could see Barrientos as soon thereafter as transportation could be arranged. (Artine has a visit with President Robles of Panama scheduled about that time and can work it in, together with the meeting with Lodge on 14 June in Panama.)

4. Artine said he had found out the background of the invitation from Barrientos. One of Barrientos' trusted aides had been to Washington or New York and in passing through Miami enroute home heard a MRR radio broadcast about countering subversion, civic action, etc. that attracted his attention. There was also a brief analysis of the situation in Bolivia which appealed to him as the best-balanced hehad heard. He thereupon started asking questions about the MRR and Artine and was referred to one of Artine's people who turned over some copies of "Tridente" (magazine of the MRR). The aide remarked that he was going to report to Barrientos of his discovery of a Cuban exile group that seemed knowledgeable of Castro and Communist subversion operations and had some useful ideas of how to counter them. Two days later Artine received the invitation from Barrientos.

Carl Esterly
Carl E. Jenkins
WH/C/CA/EA

cc: WH/3
WH/PO/B

SECRET

DISPATCH**SECRET***1st of January*

DISPATCH		SECRET	PROCESSING						
TO Chief, WH	FROM Chief of Station, JWAVE	DATE JUN 11 1965	ACTION SEARCHED INDEXED FILED ABSTRACTED SERIALIZED FILED						
SUBJECT Operational/TYPIC/AMWORLD/AMOT Activities in AMWORLD and of AMBIDDY-1		DOC MICRO							
ACTION REQUIRED REFERENCES									
Action Required: None. For Your Information.									
<p>1. The AMOTs have recently submitted two short reports providing some information about AMWORLD and AMBIDDY-1 activities.</p> <p>2. AMOT-84 reported the following in Report DD-1414, 19 May 1965, which he had acquired from Iden A, whose ultimate source of information was AMWORLD-2:</p> <p>a. AMWORLD-2 left for New York with his family on 15 May 1965, this being his first step towards disconnecting himself from AMWORLD. Before he left, he handed over to AMBIDDY-1 the AMWORLD money which he had in the bank.</p> <p>b. AMWORLD-2 said that AMBIDDY-1 was devoting all his attention to obtaining money by the sale of military equipment which he had at the camps. AMBIDDY-1 had already realized U.S. \$30,000 in this manner and hoped to raise still another \$30,000. AMBIDDY-1 currently had all the AMWORLD money under his absolute control and said he intended to act as treasurer of the organization.</p> <p>c. AMBIDDY-1 gave the impression of not being involved with any political plan. Occasionally he talked to friends about interviews with his "contacts" and about a budget for propaganda. Other times he gave consideration to propositions of friends, such as the Spaniard who acts as his chauffeur and secretary, concerning various business deals. He also talks of buying a farm in Nicaragua to cultivate rice, etc.</p> <p>d. The general opinion within AMWORLD is that the organization is entering a crisis and, with the separation of AMWORLD-2 from the organization, AMWORLD members would no longer continue to receive their salaries.</p>									
Attachment: Identities, u/s/c (ucl)		201-267437							
Distribution: S - WH/c, w/att.		<table border="1"> <tr> <td>DATE TYPED 9 June 1965</td> <td>DATE DISPATCHED JUN 11 1965</td> </tr> <tr> <td colspan="2">DISPATCH SYMBOL AND NUMBER UFGA-21947</td> </tr> <tr> <td colspan="2">HEADQUARTERS FILE NUMBER 19-6-95/4</td> </tr> </table>		DATE TYPED 9 June 1965	DATE DISPATCHED JUN 11 1965	DISPATCH SYMBOL AND NUMBER UFGA-21947		HEADQUARTERS FILE NUMBER 19-6-95/4	
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UFGA-21947

3. In AMOT Report EE-1438, 4 June 1964, AMOT-84 further reported information he had received from Iden A, as follows:

a. Iden B said that AMBIDDY-1 was only concerned with maintaining the small AMWORLD camp in Nicaragua, where there were weapons, ammunition, and seven men, who were there without the knowledge of the ODOYOKERS. Iden B said that AMBIDDY-1 was awaiting an opportune moment to arm as many friends as possible and leave for PBRUMEN.

b. Iden C said that there really were arms and ammunition cached in the camp in Nicaragua, but that the seven men there spent all their time looking for persons to buy the arms and ammunition.

c. Iden C also said he believed that if AMBIDDY-1 was keeping up his radio transmissions and payments to some journalists it was because they served as a cover for his commercial operations and that all the propaganda would disappear when AMBIDDY-1 had to use AMWORLD money to keep up the propaganda.

Sophia L. Mayhouse

Philip G. ELWARD

IP

Under Separate Cover attachment to UFGA-21947

Iden A - Rolando MERUELO Alfonso, A 12 829 707 (AMOT subsource)

Iden B - Nilo MESSER Pujol (201-294655)

Iden C - Carlos MARTINEZ Baraque (AMOT subsource)



AS COPY

L/catt.1 UFGA-21947

201-267437

To: Andy
From: George Lodge
Re: Manuel Artine

June 9

Charles B. Lodge

In general, Artine impressed me greatly and we got along very well. He is energetic, idealistic, enthusiastic, highly motivated and in my judgement will suited in every way to the task he intends to perform. As you know, he is 33 years old, tough-minded and filled with ideological fire. His weakness would appear to be a certain lack of focus and conceptualization. He does not really have a plan but appears to be reacting to immediate crises and opportunities like a fire fighter. He and his group, therefore, need careful and thoughtful leadership and guidance to get the most out of them and to deal with problems in the proper order of priority and urgency.

He arrived late at the Business School because the taxi driver got lost. We had a quick lunch together ~~and then I had to leave early in order to be in class at 1:30.~~ At my request he joined me in the classroom. I was giving a lecture on the role of the manager in the midst of radical change to a group of alumni who are at the School for a short seminar on international business problems. During the discussion period he spoke well and with great conviction about his work in the hills with Castro and the Cuban problem in general.^{xx} He made an excellent impression.

We then talked in my office for 1½ hours. A summary of the conversation follows:
He told me of his work with the Indians on the Atlantic Coast of Nicaragua where he has 5 men working on community development problems including health, education, road building, rice marketing and sick boat building. He has 10 men at his base of operations on the coast. He mentioned that he knew Enrique Peraire, a young man or in Managua closely associated with INCAE and in my judgement a good, active, properly oriented young man.

He discussed his civic action training program in Miami which has just started and in which he said he has 32 men enrolled. This is a 3-month program to prepare men for rural organization work of various kinds. He spoke of his need for help in with respects to cooperative training and especially cooperative leadership selection and preparation.

He spoke of his conversation with new Col. Peralta in Guatemala and said that after a four-day field trip he reported to the President that:

a. The Army was old fashioned, had poor ideas and was ill equipped to fight guerilla warfare or to carry out the civic action program which were urgently necessary.

b. He said he found serious subversion among the Indians largely through small radios which Cuban trained Guatemalans were giving to the Indians and which were tuned in on Radio Cuba only. He knew specifically of 5 Guatemalans engaged in this work.

c. He spoke of the danger of Sosa in the mountains and said that Peralta showed his ignorance by brushing Sosa off as a small-time operator with only a handful of men around him. Artine said he had about 25 men with him and added that this was enough to start a lot of trouble. He said he would like to begin something in Guatemala but had no specific suggestions.

He said he had 3 people working in San Jose, Costa Rica, inside what he referred to as "the Cuban community."

He has one man in Colombia organizing three cooperatives in the Cali area at the request of a local Senator who owns a sugar mill and the Cali newspaper and who Artine described as a very good ~~man~~ man. He is deeply concerned about the ~~present~~ situation in Colombia.

He is leaving shortly for Bolivia where ~~now~~ he has been invited to spend four days by the President.

During the course of the conversation I made the following suggestions which met with his enthusiastic approval:

I believe his key contribution may be in the area of rural organization and motivation. He and his men (he said he has 220 available for immediate action) need rural organization training. Only a few know much about it. I suggested therefore he investigate the cooperative training school at Antigonish, Nova Scotia, which from everything I have been able to find out in Panama and elsewhere is the best thing of its kind in the world. He said he had heard of it very favorably and mentioned he would talk with a Bishop friend of his and see if he could get some of his men enrolled in the school immediately.

I told him in some detail of our work in Veraguas Province and of Bishop McGrath's general development plans and also of the Bishop's intention to establish a cooperative training center in Veraguas. I mentioned the possibility of one or two of his men working in Veraguas alongside my men who will be there this summer and thereafter. He was extremely enthusiastic about this and suggested Nestor Izquierdo, a 29-year-old Cuban Negro whom he said had done rural organization work with him in Cuba. He spoke very highly of him. My thought was that perhaps Mr. Izquierdo might join my men during the summer with Bishop McGrath's approval, work on our co-operative project there and perhaps remain to help the Bishop set up his training center and carry on such other activities as might be useful. Izquierdo is apparently very versatile in his talents. He might go to Antigonish somewhere along the way if that seemed wise. We left it that I would see how the Veraguas project goes, would talk informally to the Bishop and would meet Artine and possibly Izquierdo in San Salvador on August 5. At that time we would decide whether it would be wise for Artine and/or Izquierdo to come with me to Veraguas.

He asked me to send him some books about chicken raising in Central America. Could you take care of this?

He gave me his address as 1270 NE 85th Street, Miami, and telephone as 754-6144.

All in all, I was deeply impressed by Artine and would like to work with him.

SECRET

WE/C 68-236
8 June 1968

MEMORANDUM FOR: Chief, Monetary Division
VIA : Chief, WE/Budget & Fiscal
SUBJECT : Transfer of Funds

Please cable instructions to your representative in Bern to contact the bank in Zurich to cable transfer the amount of \$14,500 to the First National City Bank, New York, for credit to the account of Gregory Cardinal or Charles Ramsey.

Carl E. Jenkins
WE/C/CA/EA

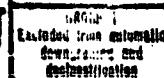
cc: WE/DAF

BDR/WE/C/CA/EA/ADRohlfing:bh (8 June 68)

Distribution:

Orig & 1 - Addressee
1 - WE/C/Esec
1 - WE/C/CA/EA

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SECRET

WH/C 65-225
8 June 1965

MEMORANDUM FOR: Chief, Monetary Division

VIA : Chief, WH/Budget & Fiscal

SUBJECT : INVOVEN Deposit

For the attached voucher, it is requested that you deposit the amount of \$14,000 to the INVOVEN account of AMBIDENT-1.

Carl E. Jenkins
WH/C/CA/EA

Attached:
Voucher

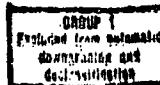
cc: WH/BAF

DDP/WH/C/CA/22 ADBohlfing:bh (8 June 65)

Distribution:

Orig & 1 - Addressee
1 - WH/C/Exec
1 - WH/C/CA/EA

SECRET



MSG: J. BAILE
SNT: WH/3/BOLIVIA
ST: 3269
DT: 14 JUNE 1965

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 NO DODD
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MESSAGE FORM

REF ID: SECRET

23

ROUTING

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TO: LA PAZ DE LA VILLE
FROM: DIRECTOR

SUBJ: WH 8 *URGENT* WHIC 8, CIA, FI, FRIENDS

PRIORITY LAPA

INFO. WAVE

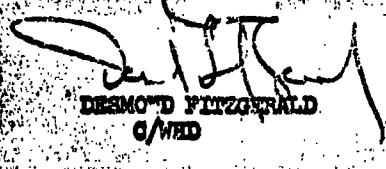
CIR 98

REF: DIR *19219*

19220

IDEN: MANUEL ARTIME, HEAD OF CUBAN EXILE ORGANIZATION, MRR.

END OF MESSAGE


 DESMOND FITZGERALD
C/WED

 WH/3/CA/EA *G.D. Pay*
CCW/1003 Section

 HERSCHEL F. PEAK
C/WH/3

RELEASING OFFICER

COORDINATING OFFICER

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 GROUP I
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downgrading and
declassification

 AUTHENTICATING
OFFICER

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REC: J. C. PARKE
MKT: WH/3/BOLIVIA
CT: 5269
ATE: 14 JUNE 1965

MESSAGE FORM

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84 SECRET

ROUTING

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O: LA PAZ JMWAVE

RCM: DIRECTOR

SDA: WH 8 NO VR, FILE, WHIC 8, CILOA, FI, FIFNTZ

PRIORITY LAPA

INFO. WAVE

CIR DR

19219

1. AMBIDEX-1 (IDEN) REP IN WAVE APPROACHED BY AS YET UNIDENTIFIED AIDE OF BARRIENTOS (B) EARLY JUNE WHO SAID B INTERESTED HAVING A-1 COME BOLIVIA SOONEST FOR FOUR DAY VISIT GIVE B BENEFIT A-1 "ADVICE AND COUNSEL" ON CIVIC ACTION AND COUNTERSUBVERSION. AIDE SAID HAD HEARD A-1 RADIO PROGRAM WAVE ABOUT THESE SUBJECTS AND UPON RETURN LAPA TOLD B WHO THEN INVITED A-1 TRAVEL LAPA NEXT FLIGHT BOL GOVT AIRCRAFT WHICH MAKES WEEKLY TRIPS WAVE AREA. NO FURTHER INFO AVAILABLE WHETHER PRIMARY INTEREST B IN A-1 IS FOR CIVIC ACTION OR COUNTERSUBVERSIVE MATTERS.

2. TIMING A-1 TRIP BOLIVIA NOT YET CLEAR BUT MUST BE AFTER A-1 TRIP PACY MID-JUNE. A-1 HAS NOT RECEIVED FURTHER WORD ABOUT TRANSPORTATION LAPA AND ATTEMPTING PLACE PHONE CALL DIRECT TO B.

3. HQS VIEWS SHORT EXPLORATORY TRIP BOLIVIA BY A-1 AS OFFERING OPPORTUNITY SEE WHETHER COULD IN FACT HELP ON CIVIC ACTION FRONT. WE HEREBY BELIEVE COUNTERSUBVERSION ASPECTS TOO POLITICALLY LOADED. A-1 GIVEN BRIEFING AT HQS ON BOLIVIA WITH PARTICULAR EMPHASIS NEED FOR JUNTA UNITY AND DESIRABILITY QUICK IMPACT PROGRAMS HELP JUNTA IMAGE WITH PUBLIC, PARTICULARLY MINERS. SOCIAL AND ECONOMIC PROBLEMS AS WOULD AFFECT ABILITY CARRY OUT CIVIC ACTION PROGRAM ALSO COVERED. DELIBERATELY AVOIDED REFERENCE TO COUNTERSUBVERSIVE MATTERS AND A-1 CLEARLY UNDERSTANDS WHEN AND IF HE TALKS TO B THAT

RELEASING OFFICER

COORDINATING OFFICER

SECRET

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GROUP I
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downgrading and
declassification

AUTHENTICATING
OFFICER

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REF.
Maj.
C.
AM.

POC
 NO POC
 POC IN C/P/R/MO.

MESSAGE FORM

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ROUTING

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FROM DIRECTOR

PAGE 2

INFO.

INFO

INFO

CINCPAC

19219

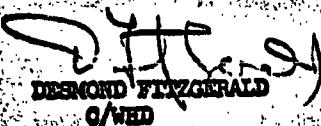
WE WISH HIM RESTRICT SELF SOLELY TO CIVIC ACTION FIELD.

4. A-1 RESPONSIVE KIBARK DIRECTION AND NOT EXPECTED MAKE ANY COMMITMENTS WITHOUT PRIOR CONSULTATION KIBARK, PARTICULARLY SINCE HE SPREAD THEM ALREADY AND HAS OTHER PENDING COMMITMENTS IN HEMISPHERE. THEREFORE WE INTERESTED HAVING STATION CONTACT A-1 TO MONITOR DEVELOPMENTS, GUIDE HIM WHERE NECESSARY AND MAKE FINAL RECOMMENDATION TO HQS ON WHAT UTILITY IF ANY HE MAY HAVE IN BOLIVIAN SITUATION.

5. A-1 TOLD EXPECT CONTACT LARA FROM PERSON IDENTIFYING SELF AS "FRIEND OF CARL". HE WILL REMAIN AWARE NEED KEEP PAGE OF STATION CONTACT FROM BOL GOVT.

6. WILL ADVISE A-1 RPA LARA WHEN KNOWN.

END OF MESSAGE


 DESMOND FITZGERALD
 O/WED

 WE/C/CNA/C
910. Peay
 w/1605 Stevens

 HERSCHEL P. PEAY
 O/WED/3

RELEASING OFFICER

COORDINATING OFFICER

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 GROUP 1
 Standard Report
 Summary and
 Recommendation
AUTHENTICATING
OFFICER

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TO	NAME AND ADDRESS	DATE	INITIALS
1	Joe Di Stefano (20-064)		JD
2	Don Robbyng (66-1902)		DR
3			
4			
5			
6			
ACTION	DIRECT REPLY	PREPARE REPLY	
APPROVAL	DISPATCH	RECOMMENDATION	
COMMENT	FILE	RETURN	
CONCURRENCE	INFORMATION	SIGNATURE	
Remarks:			
<p>1. Attached are copies of Geo. Lodge's report of his day with Artie - which you should find useful.</p> <p>2. Undersigned called Lodge on 17 June to tell him that we encourage Artie & his associates to remain plans and secondly, th. t. Specter meets with our approval.</p> <p>3. Any links in "chicken running" in Central Amer.</p>			
FOLD HERE TO RETURN TO SENDER			
FROM: NAME, ADDRESS AND PHONE NO.		DATE	
Andy Clegg		17 Jun	
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Form No. 237		(40)	
U. S. GOVERNMENT PRINTING OFFICE: 1951 O-307262			

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BKT : WH/C/CA/EA
DT : 4550
DATE : 14 JUNE 68 INDEX
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ROUTINE		
1	EA-	5. NO
2		e. CA
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TO : CARACAS

FROM: DIRECTOR

INFO: VR . FILE RID COPY, WH-7, CI, CI/OPS, F5, F5/INF2

SOD-6, OPSEC, CI/DA, CI/PS

CARA

INFO: BOGOTA

CITE DAIR

REFS: A. CARA 1040 (IN 86689)

19531

AM GIDDY-1

1. A/1 TOLD ZABOTH MORNING 11 JUNE HE HAS NO KNOWLEDGE CHE GUEVARA LOCATION OR ACTIVITIES AND HAS NOBODY IN VENEZUELA OR ELSEWHERE TRAILING HIM. FABIO FERMIN FERNANDEZ KNOWN ONLY BY SIGHT TO A/1 AS CUBAN EXILE IN BOGOTA. NO OTHER CONNECTION.
2. SINCE HIS LAST VISITS CARACAS AND BOGOTA MARCH AND EARLY APRIL A/1 HAS TRAVELED IN NICARAGUA, COSTA RICA AND PANAMA IN CONNECTION RETURN OF AMWORLD MOTHERSHIP AND ARMS, DISBANDING PM ORGANIZATION AND DISPOSITION AMWORLD PERSONNEL. ALSO VISITED COL. PERALTA OF GUATEMALA AT HIS INVITATION TO DISCUSS CIVIC ACTION AND COUNTERING PBRUMEN SPONSORED SUBVERSION AND INSURGENCY OPS. NOW HAS INVITATION VISIT BOLIVIA TO DISCUSS SIMILAR TOPICS WITH JUNTA CO-PRESIDENT BARRIENTOS. WAITING BOLIVIAN OFFICIAL FLIGHT MIAMI TO LA PAZ.

RELEASING OFFICER

COORDINATING OFFICERS

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3	7
4	8

TO :

FROM: DIRECTOR

PAGE # 2

CONF:

BUCH VS. FILE RUD COPY

TO

INFO

CITE ORG

1953/

3. FOR COS INFO: A/1 HAS TRAINING COURSE IN PROGRESS AT MIAMI FOR KEY MRR PEOPLE IN CIVIC ACTION AND COUNTER INSURGENCY. APPEARS HAVE ACCEPTED FACT OF LIFE PM OPS ARE OUT AND PUTTING FULL EFFORT INTO SWITCHING MRR TO MORE CONSTRUCTIVE ACTIVITIES LATIN AMERICA WHILE WAITING OTHER RESOLUTION PBRUMEN PROBLEM.

END OF MESSAGE

WH Comment: Refs report evidence Che Guevara is in Colombia, and cite AMBIDY-1 as source of info.

John T. Flynn
DESMOND FITZGERALD
C/WD

WT/PD/SC/CC
WH/C/CA
DC/WH/3

John T. Flynn
JOHN L. HART
DCWHD/C

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TICKS: YES NO

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S-REF TO FILE NO.

FILE DIR D.F. TO BRANCH

DESTROY SIG.

CLASSIFIED MESSAGE

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FROM

LAPAZ

ACTION

WH-8

RID COPY

ADVANCE COPY

ISSUED SLOTTED RECD

UNIT

TIME 1830 07

REF ID: V.O. 4/14/70 C-2, CR/025 22-36, TT: 1312-72

SECRET 151955Z

COR

15 JUN 65 W 90944

PRIORITY DIR INFO PRIORITY WAVE CITE LAPA 8370

REF: DIR 19219

1. NO RPT NO BOLIVIAN GOVT AIRCRAFT MAKES WEEKLY FLIGHTS TO WAVE AREA.
2. WHOLE STORY OF REF SOUNDS SUSPICIOUS. ESPECIALLY IN VIEW FACT AIDE OF KICHEER-1 ^{AD} REMAINS IDENTIFIED.
3. BELIEVE STATION CAN SECURELY ATTEMPT DETERMINE VALIDITY OF STORY SINCE CIVIC ACTION AND COUNTERSUBVERSION ACTIVITIES HAVE BEEN SUBJECTS OF DISCUSSION BETWEEN KICHEER-1, KICALIX-1, AND COSCOU. WILL ASK PROCEDURAL QUESTIONS AND WHETHER THEY NEED OTHER THAN ^{THAN} ODYOKE HELPPY.
4. BELIEVE ENTRY OF PBRUMEN EXILE WILL DAMAGE REPUTATION OF JUNTA NO MATTER WHAT HIS POLITICAL COLORATION. MILGROUP AND ODWIFE IN BOLIVIA HAVE MANY COMPETENT PERSONS EXPERIENCED IN CIVIC ACTION. IF INCREASED CIVIC ACTION PROGRAMS TAKE PLACE IN THE MINES IT WILL BE WITH MILGROUP AND ODWIFE FUNDS AND THEY WILL INSIST ON PARTICIPATION AND SUPERVISION. *Re A-I TAKING TRIP See whether Could IN F HELP ON SECRET CIVIC ACTION FRONT.

SECRET

El Panama Hilton

PANAMA, REPUBLICA DE PANAMA
TELEFONO: 3-1920 (5 LINES)

CABLES: HILTON

JUN 18 1965

Roger Garvey

Dear Andy:

I have just come back from a three-day visit to Veraguas where things are going along very well. There are now 9 small cooperatives in the region around Santiago. In the village of San Francisco a large training center is under construction which will house 60 persons for cooperative training courses and for other teaching in rural development. There is dormitory as well as classroom space. The building was financed as follows: \$12,000 from the German Bishop, \$6500 from the community of San Francisco itself (pop. 1000), with which is really quite remarkable and testimony to the truly unique and effective organization which the Bishop and his associates are creating in Veraguas. \$8000 is being raised in Panama. This Center will be where Father Steele will conduct regular four-month cooperative and rural development training courses for persons from all over Latin America. It will also be used for local training. Father Steele's first course was held in Panama city and was attended by 25 men from Ecuador, Brazil, Chile, Peru, Bolivia and Panama. This course seems to be the best of its kind in Latin America.

The land has finally been broken free around San Jose. This is the first real land reform in Panama. My two men are hard at work.

I talked to the Bishop about Hector and he was most enthusiastic. He wants him to move as soon as possible and work alongside Oswald Rodriguez who is the young man in charge of his Development Operations. His organization is called CEPAS, Center for Studies, Promotion and Social Assistance. He hopes that Hector will be able to be the executive director and coordinator of the San Francisco Center under construction. In my view this would be an ideal set-up. Please

REASSURE HILTON ALREADY ON THE MUNICIPAL



P A N A M A , R E P U B L I C A D E P A N A M A
TELÉFONO: 2-2000-2222
CABLES: MULTELE

would be in at the beginning of this effort which could have major effects throughout Latin America. He would be learning and also teaching. The Bishop suggested that he could use another man as well and further suggested that four of Nestor's friends from Miami might want to come and take Father Steele's course in January at San Francisco. It costs about \$60 a month, including everything.

The Bishop knew Manuel, having met him in Chicago at some meeting, and he has the highest regard for him. He suggested that he could meet Manuel and Nestor in Miami on June 28 when he will be there staying with his father-in-law step-father, Col. Harry Scheibla, 6401 Allison Island Rd., Miami Beach. I called Manuel and he and Nestor will see the Bishop on the morning of June 28. I told the Bishop that financing for Nestor could be arranged, suggesting possibly the Fundex but making nothing definite. I suggest that if all this meets with your approval you may wish to contact Manuel and/or Nestor and pin down the financial part of it. I would suggest that Nestor be paid about \$200 a month. That is what Oswaldo Rodriguez gets. Incidentally this Oswaldo is really first class — a good man to watch. You may want to just let things go as they are but in any case the Bishop expects Nestor to be ~~fully~~ financed somehow.

I am off to Colombia tomorrow.

All the best,

STATE DEPARTMENT ALLEGEDLY SEL-MUNDO

Meetings with AMJAVA-4 in Washington, 27-28 June 1965

Subject: Proposed Agency Programs

1. Following the demise of AMWORLD, AMJAVA-4 has become familiar with three other Agency programs, or proposed programs, and he asked if he could have some clarification as to just what we wanted from him and his people. I explained that there were three different functions which needed to be done and that the Agency was trying to develop programs to meet each need. The three functions concerning Cuba are:

(a) to maintain the MRR as a respected resistance organization with a political posture which is acceptable to most Cubans and not inimical to U.S. interests. We are asking approval of a minimum budget for subsidy of the MRR which will pay for its published and radio publicity matter, subsistence to survivors of MRR killed, disabled, or captured, and travel expenses for AMBIDDY-1 as the leader of the movement outside Cuba. We are trying to guide A-1 into a program of Community Development/Civic Action projects in Latin America as a means of projecting an image of the MRR and of A-1 as constructive, forward-looking people instead of simply exile counterrevolutionaries. We would hope that such activities would keep the movement together, give the members practical experience which would eventually be useful in Cuba, and in the meantime, would render useful results in countering problems of insurgency in Latin America.

(b) to prepare a managerial and executive team of specially selected Cuban exiles who would be ready to move into Cuba should relations be resumed with the United States in order to furnish effective direction of necessary governmental functions and assist the United States in denying the island to Communist control. Selected candidates would, hopefully, be fairly young as well as intelligent and capable of profiting from extensive training programs which would be designed for each to prepare him to perform a specific function in a future Cuban regime. The program would be apolitical, each person being considered as an individual and not as representative of any organization. This is the program for which A-4 is being considered for training in the field of internal security for work with the Agency in a post-Castro Cuban regime.

2. (c) to select and maintain a small cadre of Cuban exile paramilitary people who would be ready for emergency contingency

SECRET

-2-

Situations anywhere in the world on short notice and for short periods of time. When not mobilized, the Agency would assist them in maintaining employment and supporting themselves. They would also, of course, be available for emergency operational commitment to Cuba if required. (It was explained that this was the program handled by Mr. Tom Cline of SOD, who was present and discussed it more in detail with A-4.)

2. A-4 understood that the programs outlined above were only parts of an overall concept concerning Cuba, that the first was designed to meet long-term political considerations, the second to meet long-term strategic requirements, and the third to meet current operational needs. He understood and completely agreed with each program, and agreed to cooperate in executing each of them, to the maximum of his ability. He will be happy to spot and recruit for us in each program, and will try to influence AMBIDY-1 along the lines we want him to follow. A-4 appreciated our explanations and stated that he could be much more helpful to us now that he understood what we were trying to accomplish.

Carl E. Jenkins
Carl E. Jenkins
WH/C/CA/EA

SECRET

DISPATCH

卷之三

CHIEF, W.

1

CHIEF OF STATION J-SWAVE
TYPE/OPERATIONAL
AMBIDOT-I ACTIVITIES

~~AS-ON-REQUIRED SUBMISSION~~

FYI

MILITANT-1 REPORTED ON 28 JUNE 1965 THAT AMBIDDY-1 WAS AGAIN ACTIVE IN THE NVA AFCA. AMBIDDY-1 HAS RECONTACTED MANY OF HIS AMWORLD MEMBERS. HE HAS TOLD THEM THAT HE IS RE-OPENING THE TRAINING CAMPS FOR THOSE WHO WERE IN THE INFILTRATION TEAMS AND THE GUERRILLA WARFARE TEAMS. HE HAS STATED THAT HIS SUPPORT WILL BE RE-INSTATED ON 1 AUGUST. AMBIDDY-1 HAS ALSO TOLD HIS MEN THAT HE STILL HAS MOST OF HIS WEAPONS AND SOME OF HIS SHIPS FROM THE AMWORLD PROJECT.

6 COPY

PHILIP G. ELMARD

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		CLASSIFICATION SECRET	HQS FILE NUMBER 201-267437
		ORIGINATING	
OFFICE	OFFICER	TYPE	EXT.
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600
PANAMA. REPUBLICA DE PANAMA
TELEFONO 3-4000 LINESAS

CARLOS MELTRES

July 2, 1945

Panama or Route Venezuela

For Andy, Bill and others:

I just spoke with Bishop McGrath who saw Art in Miami last Wednesday afternoon. Art was accompanied by a man named Foss (son?), whom the Bishop said had come from Boston. Foster was not there. After a lengthy conversation, the Bishop said that he and Art had agreed that the best plan for follow would be to send four to six of Art's younger men to Father Steele's cooperative-consultative training course which will be held in San Francisco, Vermont, around January 15. At the end of the course, which I believe runs four months, the Bishop could then pick one or two of the men to remain and work with him and his group. The Bishop was concerned about having someone with his project who was too closely connected with Art. He felt and he said Art did too that probably both he and Foss were too well known as associates of Art's. That is why they decided on younger men who are less identified.

The Bishop said he made some discreet inquiries about Art among "friends" of his in Miami and found that he had once been the fair-haired and much admired leader of young Cubans, but that in Central America he had had a love affair with the wife of one of Art's lieutenants which sort of took some of the gloss off as far as his followers were concerned. The Bishop said he has since married the woman and is working his way back to a position of respectability. The Bishop liked him a lot and he said they got along very well.

It sounds to me as though this is a very good plan and could lead to something of long-term value.

George.

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CENTRAL INTELLIGENCE AGENCY OFFICIAL RULING SLIP			
TO	NAME AND ADDRESS	DATE	INITIALS
1	Dr. De Sylva (30-440) 8geig		jl
2	Don Lohfing		for
3	(Rm. 66 1908)		
4	Carl		C
5			
6			
ACTION	DIRECT REPLY	PREPARE REPLY	
APPROVAL	DISPATCH	RECOMMENDATION	
COMMENT	FILE	RETURN	
CONCURRENCE	INFORMATION	SIGNATURE	
Remarks: 1. Attached memo from Elwyn re McGrath - Art - meeting - Miami. 2. In your discretion.			
FOLD HERE TO RETURN TO SENDER			
FROM: NAME - ADDRESS AND PHONE NO.			DATE
Pauline Paul (K-1282) 8ge			
UNCLASSIFIED	CONFIDENTIAL	SECRET	(40)
U.S. GOVERNMENT PRINTING OFFICE : 1951 O-1000-2			
237 (the previous edition)			

SECRET

12 July 1965

MEMORANDUM FOR: Deputy Chief, WHD/Cuba
VIA : Chief, WH/Budget & Fiscal
SUBJECT : Payment to AMBIDDY-1 for Month
of July 1965

It is requested that you approve a payment of \$12,000 for the month of July 1965 to be given to AMBIDDY-1. These funds will be used by him for propaganda and political activity of the MRR, plus payment of support to dependents and survivors. In order to expedite getting the funds to AMBIDDY-1, the AMWORLD funding channel will be used until another mechanism has been established which can be more closely controlled by Headquarters.

Carl E. Jenkins
Carl E. Jenkins
WH/C/CA/EA

APPROVED:

John J. Hause
J. Hause
DWHD/C

cc: WH/EMZ

SECRET

SECRET

12 July 1965

MEMORANDUM FOR THE RECORD

SUBJECT: Activities of AMBIDDY-1, 1-10 July 1965

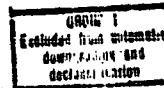
1. I talked to AMBIDDY-1 by telephone on 2, 8 and 10 July with the gist of the conversations outlined below:

a. AMBIDDY-1 had two long conversations with Bishop McGrath of Panama on 30 June and 2 July. They discussed the center for studies of rural cooperatives at San Francisco village in Veraguas Province, Panama, that is being developed under the Bishop's auspices with support from Harvard University and which has two men there at present. Prof. George Lodge is the Harvard representative and has been visiting the center. A-1 received a letter from Prof. Lodge asking for assignment of an experienced man to the staff of the center. Bishop McGrath repeated the request, saying he would like to have two men as soon as possible, with a total of six by January when he plans to increase the program. The two men selected were Silvano POZO Carrillo (201-73977) and Nestor IZQUIERDO Diaz (201-281933) both Negroes from Oriente Province and former Comandos Rurales. A-1 asked the Bishop what part the Panama Government played and was told they approved, although they were not directly involved. A-1 understands that the center will train students from all over Latin America and has already graduated more than twenty students from several countries.

b. The five man security force left by A-1 at Monkey Point, Nicaragua, in addition to guarding a weapons cache, continues to teach the local Indians in reading, writing, basic operation and maintenance of machinery, and rice planting.

c. The community development/civic action training program for MRR members which A-1 has been running in the evenings in Miami is about half finished. He has about twenty men attending regularly after work with several others attending whenever they can get away from their jobs. The

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-2-

class is now studying organization of rural cooperatives. Silvano POZO is chief instructor for this phase and will be sent to Panama as soon as the classes in Miami are completed.

d. A-1 has bought a small farm (22 acres) near West Palm Beach to develop as a model farm for his training program. He is installing generators, water pumps, and starting to raise chickens, etc. He hopes eventually to bring a few students at a time from Latin America as his program progresses to show them what can be done with small plots if proper farming techniques are used.

e. A-1 received another message from Bolivia saying in effect that the situation was still about the same and again asking if he were able to visit there. He stalled them again (at our request) and agreed to be out of town or otherwise scheduled until the matter dies a natural death.

2. The West German Government has issued scholarships paying all tuition plus \$100 per month subsistence in German universities to three of A-1's people who have been living in Spain. They will go to Germany in August to study the language for six months then begin their studies. They are Angel LAVANDERA, economics; Carlos MAYO, engineering; and Luis CAVADA, engineering. This is follow-up to the meeting A-1 had in Rome with the German Ambassador that was arranged for him by the Vatican Secretary of State last December.

3. A-1 is leaving 13 or 14 July for about 10 to 15 days visiting Central America. He will go to Nicaragua first to talk with President Schick and General Somoza, then to Monkey Point to check on the condition of the base, security of the arms he has cached there, and to observe the civic action training his men there are conducting for the local Indians. He will then go to Costa Rica to talk with President Orlich and Foreign Minister Oduber who have sent word they would like to meet with him as soon as convenient for him. From there he will go to Panama to see President Marcos Robles, who has been expecting him for several weeks. A-1 will describe the project he is about to enter with Bishop McGrath and Professor Lodge and confirm President Robles' attitude toward it. A-1 will also visit Veraguas Province and look over the training center.

4. I also informed A-1 that his proposal to maintain U. S. support for the MRR to pay for support to dependents and

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14 00000
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-3-

survivors of MRR people, for delegates, the Tridente, and radio broadcasting had been approved for \$12,000 monthly. He was gratified to receive continued support for the movement. I told him we would try to get the July payment into the bank through the old AMWORLD funding mechanism pending development of a new funding system.

Carl E. Jenkins
Carl E. Jenkins
WH/C/CA/EA

File:
AMBIDY-1 201

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SECRET
(When Filled In)

REQUEST FOR PAYMENT OF CONFIDENTIAL FUNDS			TO AM Division (AMBIDY)	DATE	DATE-VOUCHER NO. 2-12					
			Secretary Division	13 July 1965						
<p>CONFIDENTIAL FUNDS ARE REQUESTED FOR OFFICIAL BUSINESS OF A CONFIDENTIAL, EXTRAORDINARY OR EMERGENCY NATURE AND ARE INTENDED FOR USE AS REVENUE. Deposit to AMBIDY/1 INBOVEX Account for extraordinary expenses for July 1965.</p> <p>I certify to the best of my knowledge and belief that subsidy funds previously made available to AMBIDY have been or are being expended for authorized objectives of the security and further support is warranted.</p>										
			Carl E. Jenkins		PAYER	AMOUNT				
					AMBIDY/1	\$12,000.00				
<p>I acknowledge my agency, above-named disburses funds, on behalf of Security Commanding General, for the amount of \$12,000.00, which funds are to be expended for authorized objectives of each funds and no consideration other than those set forth in my agency.</p>										
			DATE	SIGNATURE OF PAYER						
				DATE	SIGNATURE OF AGENT					
<p>RENT INSTRUCTIONS On file in Monetary Division</p>										
<p>THE AMOUNT REQUESTED IS PAY THE PAYER FOR SATISFACTORY PERFORMANCE OF DUTIES IN ACCORDANCE WITH THE TERMS OF HIS CONTRACT OR OTHER WRITTEN OR ORAL AGREEMENTS. (To be signed when applicable)</p>										
DATE	TITLE	SIGNATURE	APPROVED							
	WH/C/CA/EA	Carl E. Jenkins	DATE	SIGNATURE OF APPROVING OFFICER						
<p>I CERTIFY FUNDS ARE AVAILABLE</p>										
OBLIGATION REFERENCE NO.	CHARGE FAN ACCOUNT NO. C135-1176		CERTIFICATE FOR PAYMENT OR CREDIT							
DATE	SIGNATURE OF AUTHORIZING OFFICER		DATE	SIGNATURE OF CERTIFYING OFFICER						
7/13/65	WH/BAP		RECEIPT FOR FUNDS							
<p>I ACKNOWLEDGE RECEIPT OF FUNDS TO BE USED FOR THE PURPOSE STATED ABOVE</p>										
DATE	AMOUNT		SIGNATURE OF <input checked="" type="checkbox"/> PAYER <input type="checkbox"/> AGENT							
SPACE BELOW FOR EXCLUSIVE USE OF OFFICE OF FINANCE										
DESCRIPTION-ALL OTHER ACCOUNTS 13-33		34-33 RTATION CODE	40-41 E XC PO ED	42-47 REF. NO. ADVANCE ACCT. NO.	48-50 PAY PER. ED	50-54 CA OR CC T	51-54 GENERAL LEDGER LIO. CODE ACCT. NO. YR.	55-66 COST - FAN ACCOUNT SYMBOL	67-70 OBJECT CLASS	71-80 ACCOUNT
DESCRIPTION : ADVANCE ACCOUNTS 13-37		VIA NO. REG. RPT. NO.	PROJECT NO.	EMP. NO.				61-66 EX. NO. REF. NO.	68-70 DUE DATE	DEBIT
										CREDIT
DATE	PREPARED BY	DATE	REVIEWED BY	TOTALS						

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downgrading and declassification

(1-49)

CONFIDENTIAL

13 July 65

NICARAGUAN INVESTMENTS
(INVERICA)

PRELIMINARY STUDY

SHIPYARDS
and
REPAIR YARDS

IN THE AREA OF BRAGGMAN'S BLUFF • BLUEFIELDS

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Excluded from automatic
downgrading and
declassification

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GENERAL INDEX

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II	Analysis of the Market	5
III	Economic Feasibility of the Project	10
IV	Socio-Economic Justification	13
V	Technological Analysis	15
VI	Financial Analysis	19
VII	Appendix	26
	Diagrams	27-28

CONFIDENTIAL

INTRODUCTION

This industrial development plan is presented by the INVERNICA Company located in the city of Managua, D.V. (Naval District), Nicaragua.

This report is part of the preliminary study which ~~more~~ ^{high} INVERNICA has effected in regard to an investment program for the concentration of repair yards and shipyards in the Bluff-Bluefields area. These facilities will provide complete service to the fishing fleets and other boats which operate on the Atlantic coast of Nicaragua. The initial cost of building these facilities, with their necessary complex operational sections, is staggering. This cost, however, will be significantly reduced because of the equipment, experience and personnel of INVERNICA. ^{in view of the progressive} This study analyzes the various elements of ~~this~~ ^{such} investment which totals US\$ 237,000 of which INVERNICA is contributing 68.4 percent and INCHAC 31.6 percent.

² ^{it;} ²
Because of the status of a new industry in the country and the benefits which would accrue to the national economy, this plan may be classified as ^{a key} fundamental industry (Law Nr 135, Law of Protection and Stimulation for the Development of Industry, 20 March 1958) and, therefore enjoy this protection and stimulation for its full initial development.

As will be seen in this preliminary report, the necessity of modern shipyards and repair yards on the Atlantic coast is of vital importance to the survival of the fishing fleets. These fleets suffer serious operational restrictions because of the absence of ^{such} these services which are common to the North American and Mexican fleets. We have the necessary equipment and technical personnel, and, moreover, the full con-

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~~CONFIDENTIAL~~

fidence of being able to offer the most modern and efficient services,
facilities and yards in the entire Caribbean area.

13 July 1965

Braggman's Bluff, Nicaragua

Ing. Luis A. Prieto Portas
INVERMICA

~~CONFIDENTIAL~~

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II

ANALYSIS OF THE MARKET

The primary function of the shipyard will be the construction of 20/200-ton boats from steel and wood. This will include shrimpboats, lobsterpots, barges, light cargoships, and passenger and patrol launches. The secondary function of the Combine will be to provide repair and maintenance service to all boats of this class within the Caribbean area ~~or equal or better quality than that offered in Mexico, Trinidad or the United States.~~

To a degree, the shipyard will attempt specialization in the construction of 35-ton shrimpboats for favorable competition in the world market. Construction will be attempted from steel and from wood.

Construction from wood will be advantageous because of the procurement of wood in large part, if not all, from the local sawmills in Bluefields.

Another advantage of construction from wood is a plan for production ⁱⁿ ~~on~~ ^{M2's} ~~one~~ in which prefabricated sections of boats will be constructed. It is possible to visualize in the near future not only the sale of fully-equipped shrimpboats but also prefabricated parts for those shipyards which do not have the necessary machinery, wood, and other items.

^{domestic}
The European and Central American Market: There are only a few countries in America which possess the facilities for construction of boats ^{with} ~~of~~ ^{draft} the shrimpboat ~~industry~~. These countries are Peru, Mexico and the United States. The production in Peru is small and relatively insignificant, and its influence in the Caribbean is ~~negligible~~. Mexican boats are constructed from good material, but because of poor labor, together with antiquated designs, they are subject to enormous structural fatigue in heavy seas. In the United States the production of shrimpboats is ^{limited to} ~~concentrated~~

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At an average rate by five main companies because of the annual quota of five boats per shipyard. They are excellent products with the latest fishing and navigation equipment. Nevertheless, they are costly because of the high cost of labor and raw materials in the country. Since we possess most of the wood in Bluesfields, trained and competent personnel, and a superior functional boat design, ^{will be} able to supply the necessities for a national fishing fleet, as well as to place these boats on the world market. We base ^{this opinion} ~~assumptions~~ on preliminary calculations which prove the possibility of our ability to produce an excellent boat at less cost and superior to the North American boats.

Domestic, etc.
The National Market: The immediate market for our shrimpboats
domestic
is the national fleet). The Booth Fisheries express great interest in
additional
procuring six boats as soon as possible. It plans possible expansion
to 20 more boats in the next two or three years. There is also the possi-
bility of renting or selling these boats on terms to local ^{individuals} ~~captainates~~,
as well as of stimulating investments by other ^{domestic} national capital. We es-
timate a national market of some 25 shrimpboats in the next three years.
The demand from the rest of the Caribbean can be conservatively estimated
at 40 boats, totalling 75 ^[sic] boats, which ^{be} ^{will} ^{be} purchased ⁱⁿ from Mexico and
the United States. With our production of 15 boats during this three-year
period, it is evident that we possess a rich market here in the Caribbean
area, not to mention the demand forthcoming from the Pacific and other
large fishing areas.

As regards the repair yard, we estimate servicing 400 boats annually with our modern installations. Compare this with the repair yard services of Schoener Key which offering partial services to 45 boats annually.

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The plans for the Nicaraguan shrimpboat fleet this year call for 80 ~~ships~~ boats. All 40 coastal boats of all types and the total comes to 120 boats which will require repair yard services four times per year (3 ^{beaching} ~~normal~~ ^{occasions} ~~and~~ ^{an} emergency), that is, a total of 480 ~~groundings~~ ^{referrals} annually. The local repair yards are able to service only 100 ~~groundings~~. This situation ~~has~~ forced many shrimpboats to seek repairs outside of the country, either at Honduras, Mexico or the United States, ~~thus~~ ^{with the} resultant loss of fishing time and ~~problems~~ ^{foreign exchange} for Nicaragua.

Technical Limitations: The lack of local technical personnel, and time required to import various mechanical parts and materials.

Consideration ~~had been~~ taken in designing the shipyard and repair yard. Carpentry and mechanic workshops ~~are~~ ^{will} also planned. There are two factors however which affect the overall operation. The first factor is the lack of ~~trained~~ personnel trained in steel construction of boats, but this will be overcome initially by personnel trained by the Company. The second factor will be resolved only by an efficient coordination between with the distribution and supply personnel of the Company in Miami. In this way it will be possible to have any spare parts or materials forwarded to Bluff within two weeks after the request is made by the local offices, (via airplane). Furthermore, plans have been prepared to stock the shipyard warehouses with spare parts.

External or Internal Competition: As regards the shipyard, there is neither external nor internal competition in Central America. The only competition we will encounter will be Mexican and North American. The following is a comparative study of this competition:

(a) Prices.	Shrimpboat (of wood, 35 tons, no motor)
Mexico	US\$ 41,000
United States	US\$ 45,000
Nicaragua	US\$ 40,000 (Planned)

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(b) Quality of Materials.

Mexico: Good materials; Bad design and ~~poor~~ construction.

U.S.A.: Good materials; excellent designs; construction depends on the Company and varies from good to excellent.

Nicaragua: Good materials; excellent designs and construction.

(c) Channels and Policy of Distribution: Eventhough it will be difficult to compete initially in sales in the Mexican and North American markets, because of their high duties, we will enjoy/unlimited market in the rest of the Caribbean. We will compete favorably due to the excellent position of Nicaragua with respect to Central American, Venezuelan, Colombian, and other markets.

As regards the repair yard, it is to be noted that the foreign repair yards are ~~less~~ ^{much more expensive} than the national ones, sometimes up to 500 percent. From the study of typical costs of each repair yard we conclude that we are able to offer more service at equal or less cost. The following examples assume a typical ~~turnaround~~ ^{beaching} of three days, cleaning, caulking, straightening the shaft, changing a number of sheets of metal, ~~recommending~~ ^{tightening}, ~~recommending~~ ^{tightening}, ~~removing~~ ^{SCALING} the framework or sternposts, ~~removing~~ ^{securing} of the rudder and bottom, and finally, the paint:

(a) Cost

Honduras	US\$ 330	(excluding straightening of shaft)
Mexico	US\$ 350	
U.S.A.	US\$ 375	
Schooner Key	US\$ 1000	
INVERNICA	US\$ 350	(planned)

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(b) Quality of Labor

Honduras Good

Mexico Good

U.S.A. Excellent

Schooner Key Common

INVERNEKA Excellent (planned)

Sales Estimate: Potential sales are estimated from the following three means: The shipyard, the repair yard, and mechanical and electrical services to the community of the area in general.

(a) Costs (assuming the ~~establishment~~^{stability} of prices in the next three years).

Shipyard: US\$ 40,000 for each shrimpboat(excluding motor); costs of other boats will be in proportion.

Repair Yard: Cost of normal ~~cleaning~~^{cleaning}. US\$ 350. The cost will be higher if there are mechanical or spare part ~~problems~~^{problems} ~~problems~~^{problems} are needed.

(b) Quantity(Output)

Shipyard: two shrimpboats the first year, six the second and six the third years; all ~~for~~^{damaged} sales.

Repair Yard: 300 ~~shrimps~~^{beachings} of a possible 400 the first year; 350 the second, and 450 the third year.

(c) Gross Income (Approximate)

	1st year	2nd year	3rd year
Shipyard:	US\$ 80,000	US\$ 240,000	US\$ 280,000
Repair Yard:	US\$105,000	US\$ 127,500	US\$ 157,500
Miscellaneous	US\$ 5,000	US\$ 7,000	US\$ 10,000

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III

ECONOMIC FEASIBILITY OF THE PROJECT

Costs of Overall Production for the First Year of Production:

In the calculation of costs, consideration is taken of the construction of two shrimpboats, complete repair and maintenance service for 300 ~~bedays~~ £² ~~per day~~, and other miscellaneous service at a total of 31,000 ~~work hours~~ work hours.

Production Costs:

(a) Raw Material: The materials required for construction and repair of boats are varied and many times specialized. Following are principal materials at approximate rates:

Wood: Laurel or yellow pine: 25,000 square feet;

Mahogany, 1st and 2nd grade 20,000 square feet;

Oak, 1st grade 5,000 square feet.

Metal: Steel and Steel-2(S.A.E.), 40 tons;

Cast-iron and other metals, 10 tons.

At a total value of US\$ 30,000.

(b) Materials:

Paints - Epoxy zinc, silver, primco, epoxy bases, latex, varnishes, copper antifouling, ~~basecoats~~, etc.).

About 1800 gallons.

General hardware - Zinc, copper, iron, and steel screws and nails; washers; cotter-pins; metal, plastic and rubber tubing; polyfoam, styrofoam, and cement insulation; glass plates and Bakelite, etc.

Miscellaneous Equipment: Propellers(46" x 34") 1. rust-proof steel

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shafts, CMC in-line winches, anchors, batteries, ordinary and navigational lighting systems, electrical accessories, electric power plants, bilge pumps, kerosene stoves, cooling and refrigeration units, fathometers, radio-communication equipment, etc.

At a total value of US\$ 50,000.

(c) Labor:

During the first year of production the Enterprise will employ a chief of mechanics and lathe shop, two specialist mechanics, two mechanics assistants, a ~~mechanic~~ carpenter^{or}, three ship-carpenters, and two carpenter assistants.

At total annual wages of US\$ 32,000.

Operation Costs:

(a) Administration Expenses: Administration personnel ~~will consist of~~ ^{INCLUDE ONE} administrator-public accountant, assistant office worker, and two service and maintenance managers. Together their annual wages will amount to US\$ 8,400, and an annual amount of US\$ 2,000 will be kept in reserve.

Total administration Expenses: US\$ 10,400.

(b) Sales Expenses: Because of the nature of the Enterprise ~~there will be~~ no expenses incurred from sales, advertisements, etc., and, therefore, we ~~foresee~~ ^{FORESEE} no expenses for this section. Fixed and Variable Costs: All the expenses previously quoted may be considered as fixed costs, and only variable costs will be considered, that is, 20 percent of materials consumed by the mechanics workshops depending on the mechanical repairs. The rest is controlled by a simple system of production which will clearly show the detailed costs of construction and repairs of the boats in consideration.

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Plan of Production Costs for the Second and Third Year of Operation.
(See the following statement:)

STATEMENT OF PROFIT AND LOSS**A. Total Income:**

	1st Year	2nd Year	3rd Year
Shipyard Sales	\$150,000	\$240,000	\$240,000
Repair Yard Sales	\$105,000	\$122,500	\$157,500
Misc. Sales	\$ 5,000	\$ 7,000	\$ 10,000
Net Sales	\$190,000	\$369,000	\$409,500

B. Production Cost:

Raw Materials	\$ 30,000	\$ 85,000	\$ 90,000
Materials	\$550,000	\$ 90,000	\$ 90,000
Direct Labor	\$ 32,000	\$ 40,000	\$ 42,000
Depreciation (Machinery, 20%)	\$ 10,000	\$ 10,000	\$ 5,000
Repairs and Maintenance	\$ 2,000	\$ 10,000	\$ 10,000
Fuel (Electricity)	\$ 2,500	\$ 2,800	\$ 3,000
Plant Security	\$ 1,000	\$ 1,300	\$ 1,300
Sub-Total	\$127,500	\$239,000	\$242,300

C. Administration Expenses:

Mages	\$ 8,400	\$ 9,000	\$ 9,000
Office Expenses	\$ 2,000	\$ 3,000	\$ 3,000
Sub-Total	\$ 10,400	\$ 12,000	\$ 12,000

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B. Financial Expenses	1st Year	2nd Year	3rd Year
Capital	\$ 15,000	\$ 15,000	\$ 15,000
Interest	\$ 4,500	\$ 3,800	\$ 2,700
Sub-Total	\$ 19,500	\$ 19,600	\$ 17,700
C. Total Expenses	<u>\$157,400</u>	<u>\$269,700</u>	<u>\$272,000</u>
D. Utility Net	\$ 32,600	\$ 99,600	\$137,500

IV**IV/SOCIO-ECONOMIC JUSTIFICATION**

Employments In the first year of production, 16 men will be employed by the Enterprise, and assigned as follows:

Administration Personnel: 4 employees (one administrator and ~~public~~ accountant), one office assistant, and two managers of services and maintenance).

Carpentry Management: 7 employees (one chief of carpentry, three ship-carpenters, two carpenter assistants).

Mechanics Management: 5 employees (one chief of mechanics and lathe-shop, two specialist mechanics, and two mechanics assistants).

The initial wages of all employees of the Enterprise will be based on their technical knowledge, years of experience, etc. This pay scale will surpass the normal in order to attract the best possible personnel to the Enterprise. A plan for increase of fixed and meritorious wages is also being planned as an incentive for the employees.

The number of personnel is expected to increase to 20 in the second

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year of production, and to 22 in the third year.

~~Foreign Trade~~ ~~the Balance of Payments:~~ The shrimpboat fleets in Nicaragua have expanded ~~from~~ 10 to 15 boats annually. These boats are bought ~~mainly~~ equipped from Mexico and the United States. Their total value within a period of three years extends from a minimum of US\$ 900,000 to a maximum of US\$ 2,025,000. Our production during this period will be 14 shrimpboats at a value of US\$ 560,000 which will remain in the country.

~~Consumer Benefits and Economic Development:~~ At present, most of the shrimp boats in the area have no facilities for mechanical repairs, and, in most cases, no facilities for grounding. This is due in part to ~~the lack of~~ ^{the} ~~inadequate~~ ^{the} facilities in the local repair yards, as well as to antiquated equipment. Because of these difficulties, many shrimpboats are forced to put into Honduras, Mexico and at times the United States for repairs. ~~which~~

~~Shrimpboat Industry~~ It is difficult to estimate with certainty the total losses which these boats incur ~~through~~ negotiations for entry to and departure from other countries, fuel and personnel expenses, and, of more importance, the incalculable losses in fishing time. Inasmuch as our repair yards will possess a greater capability than normally required, those boats with emergency ~~and~~ other types of damages will ^{be} guaranteed service. In this way we will attract to our repair yards those boats which ordinarily would seek repairs outside of the country with the consequent loss in foreign profits and valuable time fishing time in the waters of Nicaragua.

~~Protection and Incentives:~~ Because of the ~~Shrimpboat~~ ^{characteristics of key} ~~Industry~~ (See Law No 135, of 20 March 1958), a shipyard ~~will request~~ governmental aid during the first ~~six~~ years of its development in order to assure the necessary investments required by an enterprise of such complexity and magnitude. The necessary negotiations are presently being undertaken in Managua to obtain for this

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enterprise the legal recognition of a fundamental industry with all governmental aid.

TECHNOLOGICAL ANALYSIS

Designs have already been drafted for the first model in wood of a 35-ton shrimpboat, and for the first model in steel of a 30-ton shrimpboat. The general specifications for the steel boat are the following: tonnage - 30; length - 62 feet; breadth - 20 feet; draught - 8 feet; keel (bar/steel-) $\frac{3}{4}$ inch x 8 inches; transverse frames (plate/steel); deck $\frac{9}{16}$ inch (plate/steel). Paint: Hart and Burns, Bond Primer, Anticorrosive and antifouling - a total of six coats. Refrigerator: capacity 20 tons, in shrimp-ice, constructed of styrofoam-concrete. Driving power plant: D-342 Caterpillar with supercharger. Propellers, 48 inches x $\frac{3}{4}$ inches, with three stainless steel propeller Michigan blades. ~~stainless~~ steel ~~transmission~~ shaft, 3 inches x 14 feet. GMC in-line winch. Eight 8-volt batteries with battery charger. Kerosene cooking-range. Searchlights and navigational lights. RCA Cruisephone 160. Hitchie, magnetic compass, model B453. Raytheon fathometer, model DE-72A. Special fuel tanks in the hull, with capacity of 6,000 gals. ~~maximum~~. Portable water tank, with capacity of 750 gals, etc.

Production Process: The processes in constructing boats and the services required for the boats are necessarily complex, although the processes are immensely simplified by new methods. Below is a description of the processes to be followed in the shipyard and in the repair yard. The construction of a boat begins with the laying of the keel on the slipway, followed by the attachment of the transverse framework to the keel. The crossbeams

L COMMITTEE
ON SHIPBUILDING

CONSTRUCTION

and sternpost are then set in place after the framework is cut to size. The shell plating is next attached from the keel upwards in a such a manner that upon entering the water the wood undergoes a precalculated expansion which completely seals the hull without necessitating caulking. A hole is drilled for the shaft and the supports and pin for the rudder are then set in place. Following this is the flooring for the deck and ~~including~~ the crew's cabin, and/reinforcements for the prop., stern and mack'mg room. After all of this completed, the secondary installations are carried out, such as the painting, electrical wiring, plumbing, masts, davits, winches, and finally the launching of the boat. Final touch-up is effected ~~when~~ the boat is in the water.

The process for the construction of a boat from steel is a simpler matter, and therefore less costly.

The normal process of drydock-repair service for a boat is as follows: The cradle (See diagrams Hrs 1 and 3) awaits the boat at the entrance of the ramp. With the use of man-elevating-boats, the boat is lifted onto the cradle where it is made stationary with transverse beams. The moving cradle is brought up the ramp and the boat is then transferred from it to a lateral cradle. The boat is brought to Section Nr 1 where it is immediately scraped with electric portable brushes and high water pressure. While the hull is drying, a detailed inspection is carried out in search of worm ~~holes~~. After drying, the hull is ~~worn~~ caulked and a general inspection is made. Paint is applied, and while that is drying the necessary interior mechanical work is carried out. Upon termination of the final painting and a final inspection, the boat is launched. The complete operation lasts no more than two or three days in a modern drydock, and the support personnel consist of two

CONTINUATION

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carpenters, a mechanic, and two yard assistants, as well as the usual repair and spare parts.

Installations: As can be seen from diagram nr 1, the area occupied by the shipyard is relatively small, ~~at~~ some ~~at~~ 15,500 square meters. It consists of a reinforced-concrete ramp with 4-inch railings, and an area ~~at~~ 150 meters long by 20 meters. The ~~area~~ ~~is~~ ~~approximately~~ ~~70~~ ~~square~~ ~~meters~~ ~~deep~~, to a depth of 7 meters. The Central Yard contains a lateral cradle (25 x 17 x 1 meters), which ~~is~~ ~~on~~ ~~rolls~~ a concrete base (317 x 25 x 1 meters); three sections of the cradle (42 x 20 meters) with the third section terminating near the shipbuilding ~~shed~~ ~~machine~~ (33 x 22 x 11 meters). Two identical buildings are planned for the ~~the~~ ^{shop} ~~workshop~~ shop, carpentry, ~~and~~ offices and warehouses, on a total working area of 1200 square meters. A building will house two 75-kilowatt electric power plants, spare parts and general electrical equipment. A 350-gallon petroleum tank will be installed ^{underground} along side of this building to provide the fuel. A 6,000-gallon ~~petroleum~~ fresh-water tank with its well and turbine will complete the first phase of the plan. The second phase will be carried out during the year of production.

Cost of Each Section (Approx):

Retention Wall and Filling in the Swamp	\$ 1,500
Ramp	\$ 4,000
Central Yard	\$ 10,000
Base for the Lateral Cradle	\$ 5,000
Buildings for Workshops/Warehouses/Offices	\$ 12,000
Building for the Ship ^{Construction}	\$ 3,000
Building for the Power Plants	\$ 2,000
Lateral Cradle	\$ 4,000

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Three Repair Yard Cradles	\$ 12,000
Water Tank with Well	\$ 500
Electric Wiring, Drainage, Plumbing, etc.	<u>\$ 1,000</u>
Total -	<u>\$ 15,000</u>

Location of the Operations: It was evident from the beginning that the location of a shipyard-repair yard complex on the Atlantic coast of Nicaragua had to be situated in the Bluff-Bluefields area, or at Rio Escondido. The reasons are as follows:

(a) Geo-Economical - The Bluff-Bluefields port is the only port with river and highway access to the interior of the country. It is the only port with sheltered anchorage (compare this with Puerto Cabezas' exposure to (b)

(c))

(d). It is the center of the fish market (Booth and Pescanica).

(e) Many companies attract a large number of boats and create a local demand for drydocking facilities. It is the center of fuel, food,

articles, parts, and other supplies. INVERNICA is fully aware of the potentials

in the area. Without doubt, ~~the port~~ ^a with deep draft and good access would have been even more advantageous.

At present, however, the sandbar of Bluff limits access to the port to boats in with 13 feet of draught or less (maximum of 800 tons). This greatly limits the commercial traffic to Bluefields. Possibly in the near future, the sandbar may be dredged, and we would then be sufficiently developed to offer/services to large boats. The Port of Bluefields would then have the opportunity of becoming a prime mercantile port.

Possible Future Expansions: This preliminary study provides for the construction of an additional 90 x 35 x 7 meter building to serve as a general workshop for the three ships ^{5/11 ways} simultaneously, if and for the con-

struction of a concrete pier for jobs not requiring drydocking. This pier will be equipped with a mobile crane, and electrical and water facilities. This plan (Phase II) ^{is} tentatively ~~scheduled for~~ during the second year of operations. (See diagram Nr 1).

VI

FINANCIAL ANALYSIS

Total Estimated Investments for the Project: The estimated total sum of the project is US\$ 237,000. The breakdown of this amount is given at the end of this chapter. The ~~amount~~ ^{loan} requested from INFO/NAC is given below under general headings:

Construction Equipment: Two ~~2~~ ^{1/2} ton dump-trucks. Carts for concrete, concrete vibrators (we have compressors), crane bucket for concrete, tubing for submerged cement work, iron piping, etc. Total value (approx) US\$ 25,000.

Construction Materials: 20,000 bags of Lone-Star cement;

100 tons of corrugated ~~iron~~ reinforcement rods, 1/2 inch and 3/4 inch; with tie wire

15,000 square feet of zinc sheathing;

5,000 square feet of construction wood;

50 tons of rail~~road~~ sections, 4 inches;

64 ~~square~~ (1 and 1/2 to 2 and 1/2 feet in diameter);

Railroad accessories; etc.;

Total Value of approx US\$ 40,000.

Carpentry Equipment: Table saw (2 feet x 10 feet), handsaws, hinged vise, two 2-inch electric drills, two electric sanders, table saw, and presser, 'terrier boxes', two complete sets of tools and an electric portable equipment, etc.

Total Value of approx US\$ 5,000.

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Unit: - 111

Machine Shop Equipment: US\$ 25,000 additional investment by INVERNICA, and US\$ 5,000 by INFORMIC.

Lathe for shafts (24-foot bed, 48-foot drum);
Southbend precision lathe (6-foot bed, 13-foot drum);
Two-inch Buffalo/drill, with accessories;
Auger [?]
Walter-Turner model Nr 3310;
Four manually-operated 20-ton hydraulic presses;
Electric Grinders;
Medium milling machines;
Twelve-inch press;
Differential
Differential systems (1 ton); torque
Three sets of complete die-tocks, torque wrenches, combination wrenches,
anvils, etc;

Two complete sets of ~~small~~ tools, torsionmeters, calibrators, cutters, valves, one unit for testing engines
polishing machines, automatic ~~welding~~, die sets, etc.

Total Value of approx US\$ 36,500.

Characteristics of ~~company~~ Capital: INVERNICA's ~~company~~ capital is drawn from two sources, namely, total equipment and materials within Nicaragua which is valued at US\$ 150,000, and the ~~company~~ capital of the Enterprise, approximately ~~company~~ US\$ 50,000.

Guarantees: Following is a general list of the equipment of INVERNICA which will be utilized in the project. This equipment for the most part is new and in full operational status, that is, INVERNICA has the necessary technical personnel to operate and maintain this equipment. In spite of the fact that this equipment is new the total ~~company~~ value is subject to the usual depreciation of 25 percent of the price which INVERNICA paid for the equipment in the United States. The following is exclusive of ~~freight~~, ~~freight~~, customs & other fees. Since I do not have price lists, the prices are approximate.

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Construction Equipment:

- 1 D-7 Caterpillar bulldozer;
- 1 Kr 112 Caterpillar grader;
- 1 15-ton Little Giant crane;
- 2 75-Kw D333 Caterpillar electric power plants;
- 2 Kehler power plants;
- 1 20-ton L.C.M., with all equipment;
- 1 40-ton barge;
- 1 KWIK-MIX concrete mixer, model 6S;
- 1 1964 Willys truck;
- 1 1964 Willys Jeep;
- 1 3-ton trailer;
- 1 Compressor with Caterpillar equipment, 60 HP;
Small
- 1 Compressor with ~~some~~ equipment and 9 HP Wisconsin motor;
- 2 GONDAS turbines, of 2 and 2 1/2 inches ~~in~~ diameter, with motors;
- 1 SEARS turbine, of 1 inch, with motor;
- 10 Sets of construction tools(picks, shovels, diggers , etc.).
- ~~• Total Value of approx US\$ 90,000, less 25% depreciation.~~

Mechanical Equipment:

- 3 Complete sets of tools;
- 1 Granville lathe (bed 3 feet by 10 inches);
- 1 Linde/W-2000 electric aluminum welding unit;
- 1 Hebart, model AFE 260, electric welding unit;
- 2 Oxi-acetylene welding units;
- 1 Craftsman 3/4 inch ~~drill table~~ AUGER [?]
- 1 Craftsman aluminum ~~measuring~~;
- 8 ~~some~~ electric drills ($1\frac{1}{2}$ inch)

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5 3/4-inch electric drills;
 2 Electric buffing and polishing machines;
 2 Electric fine ~~saw~~ saws (portable)
 Miscellaneous equipment.

At Total Approx Value of US\$ 6,500.

Miscellaneous Materials:

5,000 feet of high-voltage electric wiring;
 3,500 feet of 600-volt electric wiring;
 2,500 iron sheets, 1 and 1/2 inches by 10 feet;
 chargers
 2 electric ~~batteries~~ 12 and 24 volts;
 3 electric transformers;
 15 boxes of spare parts for the Caterpillar, ~~motor~~ G.M., and Willys' motors;
 Iron, copper, and zinc tubing; paint, plumbing fittings, 12-volt batteries,
 1500, 1000, 350, 100 and 50 gallon water tanks, insulators, etc.

At Total Approx Value of US\$ 15,000.

TOTAL INVESTMENT PLAN

<u>Investment Fields</u>	<u>INVERNICA</u>	<u>INFCHAC</u>	<u>TOTAL</u>
A. Installation Expenses			
a. Construction Equipment	\$ 90,000	\$ 25,000	\$115,000
b. Construction Materials	\$ 15,000	\$ 40,000	\$ 55,000
c. Machine shop			
Equipment	\$ 31,000	\$ 5,000	\$ 36,000
d. Carpentry workshop			
Equipment	\$ -----	\$ 5,000	\$ 5,000

GENERAL

	(INVENTORY)	(INCOME)	(TOTAL)
B. Organization Expenses:	\$ 500	\$ -----	\$ 500
C. Working Capital:	\$ 15,000	\$ -----	\$ 15,000
D. Contingencies:	\$ 10,000	\$ -----	\$ 10,000
Total:	\$162,000 (68.4%)	\$ 75,000 (31.6%)	\$237,000 (100.0%)

Note: The land will be rented to the Booth Fisheries for a nominal fee credit is shown which will be resolved once the/established .

SOURCES AND USES OF FUNDS

A. Sources:	Installation Period	Operational Period		
		1st	2nd	3rd
1. Equity Capital	\$162,000	-----	-----	-----
2. Medium-term loans	\$ 75,000	-----	-----	-----
3. Sales	\$ -----	\$190,000	\$369,000	\$409,500
4. Balance from previous year	\$ -----	\$140,000	\$172,600	\$221,900
Total Sources:	\$237,000	\$330,000	\$541,600	\$631,400
B. Uses:				
5. Fixed Investment				
a. Buildings, etc.	\$ 55,000	\$ -----	\$ -----	\$ -----
b. Machinery	\$ 43,500	\$ -----	\$ -----	\$ -----
6. Cost of Production	\$ -----	\$127,500	\$239,100	\$242,300
7. Administration				
Expenses	\$ 500	\$ 10,400	\$ 12,000	\$ 12,000
Total Uses	\$ 97,000	\$137,900	\$251,100	\$254,300

GENERAL

Cash and Bank Deposits(A+B):	\$140,000	\$192,100	\$20,500	\$377,100
a. Amortization of the loan	\$ -----	\$ 19,500	\$ 18,600	\$ 17,700
b. Reinvestments	\$ -----	\$ -----	\$ 50,000	\$ -----
c. Dividends	\$ -----	\$ -----	\$ -----	\$ 50,000

Balance for the Following

Year:	<u>\$140,000</u>	<u>\$172,600</u>	<u>\$221,900</u>	<u>\$309,400</u>
-------	------------------	------------------	------------------	------------------

Note: This capital represents the value of the construction equipment, the working capital and the capital for contingencies, and is, therefore, the maximum figure. It is not necessarily true that this capital will remain intact, but we do believe that it will be no less than US\$ 115,000.

~~CONFIDENTIAL~~Production Potential - Shipyard

Number of
Shrimpboats

Planned production

Demand in Nicaragua

Plant capacity

YearsProduction Potential - Repair Yard

Number of
Drydockings,
per annum

Planned production

Demand in Nicaragua

Plant capacity

Years~~CONFIDENTIAL~~

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VII

APPENDIX

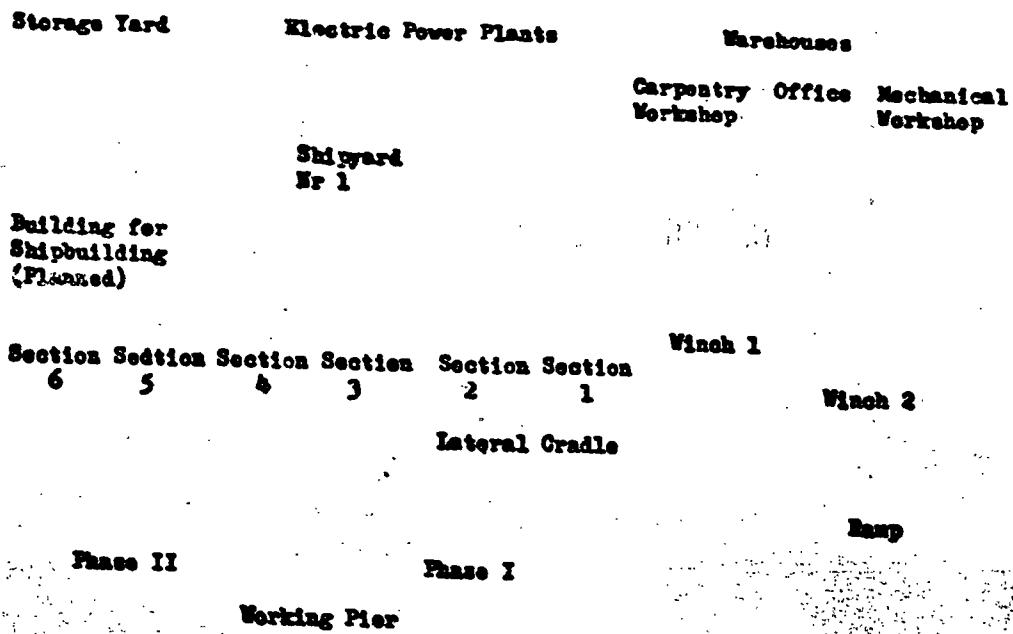
A re-study of the necessities of the shipyard, of the extensive (and intensive) repairs which the fleets will require, and of the immense volume of maintenance, has revealed the enormous load which the ~~workshops~~ ^{ship} and carpentry ~~workshops~~ ^{shops} must bear.

With the capital available to INTERICA at this time, only US\$ 25,000 can be channeled to these workshops, ^{(plus} ~~including~~ the US\$ 6,500 in equipment in our possession), ~~whereas~~ ^{since} the present emphasis is placed on construction and immediate production. Nevertheless, I believe that an additional investment in the workshops is of vital importance for less cost ^{mass} and efficient production. For production ~~expansion~~ ^{mass} the shipyard, naturally, requires sophisticated equipment, a significant volume of spare parts and additional capital.

We may choose to purchase this equipment with the first year's ~~it is suitable for~~ profits. But I believe that this sum ~~will~~ be incorporated into the plan of initial loans, requested by the enterprise.

L.A.P.P./sl

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DIAGRAM NR. 1 - GENERAL VIEWDIAGRAM NR. 2 - MAIN BUILDINGS

Workshops and Office

Shipyard Nr. 1

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DIAGRAM NR. 3 - SHRIMP BOAT CRADLE

Specifications:

Net weight - 18 tons

Capacity - 32 tons

Length - 20 meters

Width - 10 meters

Maneuvering time - 15 minutes

Scale

meters

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INVESTIGACIONES INCAUTACIONES S. A.
(INVESTIGACIONES)

ESTUDIO PRELIMINAR

VARADERO - ASTILLERO

EN EL AREA DEL BRACOMAN'S BLUFF - BLUEFIELDS

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I. INTRODUCCIÓN

Este proyecto de desarrollo industrial lo presenta la Compañía INVERNICA (Inversiones Nicasa y Nicaragua), ubicada en la ciudad de Managua, D. N., Nicaragua.

El contenido de este informe forma parte del estudio preliminar que se efectuado la INVERNICA en torno a un programa de inversión de un concentrado de astilleros - varaderos en el área del Bluff- Bluefields. Dichas facilidades estarán orientadas a dar servicios completos a las flotas pesqueras y demás embarcaciones que opera en la Costa Atlántica de Nicaragua. Dada la complejidad de las operaciones requeridas en los trabajos y servicios de un astillero, el costo del monto de dichas facilidades es inicialmente elevado. gracias a los equipos, experiencia y personal técnico que posee la INVERNICA, este costo inicial se reduce enormemente. Este estudio analiza los diferentes elementos que forman parte de dicha inversión y los integra a una cifra total, cuyo valor es de US\$ 237,000.00 (DOSCIENTOS TREINTA Y Siete MIL DÓLARES), con dos inversores: INVERNICA supliendo el 64.4% (sesenta y ocho punto cuatro por ciento), y el INFONAC supliendo el 31.6% (treinta y uno punto seis por ciento).

Ya por su condición de industria nueva en país, y del alto beneficio que viene conlleva a la economía nacional, este proyecto puede clasificarse de industria fundamental (Ley #13, Ley de Protección y Estímulo al Desarrollo Industrial, 20 de Marzo de 1958), y por tanto, gozar de dicha protección y estímulo para su pleno desarrollo inicial.

Como se verá en este informe preliminar, la necesidad de facilidades modernas de varadero y astillería en la Costa Atlántica, es de vital importancia a la sobrevivencia de las flotas de pesca. Dichas flotas sufren

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graves restricciones operacionales debido a la escasez de dichos servicios, tan comunes y extensamente brindados a las flotas norteamericanas y mexicanas. Nosotros poseemos los equipos y el personal técnico necesario, pero más aún poseemos la plena confianza de poder llegar a ofrecer los servicios, facilitando y creando más modernas y eficientes en todos los puertos del Caribe.

22 de Julio de 2000
Braggman's Bluff, Nicaragua
Ing. Luis A. Prieto Portor
INVERSA

II. ANALISIS DEL MERCADO

La función principal del astillero será la construcción de embarcaciones de acero y madera, de 20 a 200 toneladas. Esto incluye camaroneros, langosteros, faluses, cargueros ligeros y lanchones de pasajeros y de patrulla. La segunda función de la empresa, será el darle servicios de reparación y mantenimiento a toda clase de embarcaciones de ésta índole en el área del Caribe, de igual o superior calidad que las ofrecidas en Méjico, Trinidad e los Estados Unidos.

Hasta cierto punto el astillero intentará la especialización en la construcción de un camaronero de 35 toneladas de tal calidad que pueda competir favorablemente en el mercado mundial. Se intentarán construcciones en acero y en madera. La construcción en madera presenta la ventaja que una gran parte, si no toda la madera, puede procurarse en los aserraderos locales de Bloomfield. Otra ventaja que posee la construcción en madera es un proyecto de producción en serie, en la cual, las formas de las diferentes piezas de las naves, se construirán en grupos previstos para la prefabricación. Será posible visualizar en un futuro, vender camaroneros, no solamente completamente armados, sino también en piezas prefabricadas listas para armar por vareadores con pocas facilidades en maquinaria, madera, etc.

Mercado nacional y centroamericano. Son pocos los países en la América que poseen las facilidades de estílleros para la construcción de embarcaciones del calado de un camaronero. Estos países son el Perú, Méjico y los Estados Unidos. La producción del Perú es pequeña y relativamente insuficiente, y su influencia en el Caribe, es nula. Las naves méjicanas están buenas de buen material, pero de pésima mano de obra, unidas a

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diseños anticuados y crudos, por lo cual sufren enormes fatigas estructurales en aguas crudos. En los Estados Unidos la producción de camarones se reduce al producto de cinco empresas principales, a razón de un promedio de unas cinco docenas navetas por astillero. Sus embarcaciones excelentes, con los últimos adictantes en equipos de pesca y navegación. Sin embargo, son naves costosas. Debido al alto costo de la mano de obra y materias primas del país. Ya que poseemos la mayor parte de la redora en Bluefield, un personal técnico adiestrado y competente, y un diseño funcionalmente superior de embarcación, podremos cumplir las necesidades para una flota de pesca nacional, así como también exportar dichas embarcaciones al mercado mundial. Nos basamos en cálculos preliminares, de poder producir una docena de naves, de menor costo que las naves norteamericanas; con una calidad que esperamos, sea superior.

El mercado nacional. El mercado inmediato para nuestros camarones es con las flotas nacionales. La Booth Fisheries tiene mucho interés en comprar veintiún naves más de inmediato. Proyecta una posible expansión de veinte naves más en los próximos dos o tres años. También la posibilidad de arrendar o vender a plazos de pago dichas naves a capitales locales, así como también, estimular las inversiones de otros capitalos nacionales. Estimamos un mercado nacional de unas veintiún naves camareras en los próximos tres años. Las demandas del resto del Caribe, podrán estimarse conservadoramente en unas cuarenta naves, haciendo un total de setenta y cinco embarcaciones, que se comprarán en México y los Estados Unidos. Con nuestra producción de quince naves en ese periodo de tres años, es evidente que poseemos un mercado riemanniano aquí mismo dentro de los próximos tres años, con las demandas del Pacífico y otras áreas de abundante pesca.

En cuanto al varadero, estimamos que con nuestras modernas instalaciones podríamos dar servicio a 400 naipes anualmente. Comparese con los servicios del varadero de Standard Oil, que están dando servicios parciales a 11 naipes anualmente.

En proyección, se estima que las flotas camaroneras en Nicaragua llegarán a 40 naipes en este año. Además unas 40 embarcaciones costeras de todas índoles. Esto constituye un total de 120 embarcaciones que requerirán los servicios de un varadero cuatro veces al año (tres viajes al año normales y uno de emergencia), o sea, un total de 480 viajes anuales. Los varaderos locales, podrían satisfacer unos cien viajes en conjunto. Esta situación ha forzado a un gran número de camaroneros tener que irse del país para reparar sus naipes (a Honduras, Méjico, y hasta los Estados Unidos), con la consiguiente pérdida de tiempo de pesca y de divisas para Nicaragua.

Limitaciones de orden técnico. Serán las siguientes inicialmente: la ausencia de personal técnico local, y el tiempo de importación de la gran diversidad de piezas y material mecánico.

El diseño del astillero - varadero se ha hecho contemplando expansiones futuras al paso que progresen las demandas. Esta planificación se ha hecho también en torno a los dos talleres (carpintería y metalúrgico). El primer factor, la ausencia de personal adiestro en construcción de naipes de acero se superará inicialmente con la utilización del personal adiestro de la Compañía. Al asignarle dos o tres asistentes locales, estos podrán aprender prácticamente las especialidades requeridas. El segundo factor, solo podrá resolverse con una eficiente coordinación

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con el personal de distribución y suministros de la Compañía en Miami. Será posible tener cualquier pieza o material en el Buñif en no más de 4-5 semanas después de pedida por los oficinas locales. (vía aérea). Se contempla además tener un gran surtido de piezas de repuesto en nuestros almacenes del astillero.

Competencia externa e interna. En cuanto al astillero, no existe competencia externa ni interna en el orden centroamericano. La única competencia que encontraremos será la norteamericana, y la británica.

El estudio comparativo de ésta competencia sigue a continuación:

(a) Precio. Camaronero, (andar, 36 ton., sin motor).

Hojico	US\$ 41,500.00
Estados Unidos	US\$ 45,000.00
Nicaragua	US\$ 40,000.00 (Proyectado)

(b) Calidad de materiales..

Hojico: Buen material; malos diseños y construcción general.

EE.UU.: Buenos materiales; excelentes diseños; construcción verificada con la Compañía desde buena hasta excelente.

Nicaragua: Buen material; diseños y construcción excelentes.

(c) Canales y políticas de distribución: Aunque sin duda será difícil el adentrarse inicialmente en mercados con los países Mayas y Norteamericanos, debido a los altos aranceles de estos países, teniendo una segunda ilimitada en el resto del Caribe. Competirán favorablemente debido a la excelente posición de Nicaragua con respecto a los mercados Centroamericanos, Venezolanos, Colombianos, etc.

En cuanto al varadero, es de notar que comparativamente, los varaderos extranjeros son por mucho, menos costosos que los nacionales, a

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voces en un 300%. Tras un estudio de los precios típicos de cada verter, llegaron a la conclusión que se puede dar mayor uso al servicio por un costo igual o menor. Es lo que ocurre con el uso, bando estimado en varaje típico de tres días, limpia, calentado, adoruar eje, cambiar un número de tablas, asegurar el costillaje a cuadros, asegurar timón y astentus, y finalmente la pintura.

(a) Precios

Bondures	US\$ 330.00	(sin enderezar el eje)
Méjico	US\$ 350.00	
EE. UU.	US\$ 375.00	
Schooner Key	US\$ 1000.00	
INVERNUCA	US\$ 350.00	(Proyectada)

(b) Calidad de la mano de obra.

Bondures	buena	
Méjico	buena	
EE. UU.	excelente	
Schooner Key	regular	
INVERNUCA	excelente	(Proyectada)

Estimación de ventas. En la estiración del potencial de ventas, entre tres vías de utilidad: las del astillero; las del varadero, y los servicios de mecánica y electricidad a la comunidad del área en general.

(a) Precios (asumiendo estabilidad de precios en los próximos tres años). Astillero: US\$ 40,000.00 por cada camarero (sin motor); otras embarcaciones proporcionalmente cotizadas.

Varadero: precio de varaje normal, US\$ 350.00. Cuando se presenten desperfectos mecánicos o piezas de repuesto, el precio será mayor.

(b) Cantidad.

Astillero: Doce camareros el primer año, veintiún el segundo y veintiún el

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varas año; 6-dos para cada máquina.

Ventas: 300 varajes de madera total de 600 el primer año;

300 el segundo y 600 varajes el tercer año.

(c) Ingresos brutos. (aproximados).

	1er año	2do año	3er año
Artillero:	US\$ 60,000.00	US\$ 240,000.00	US\$ 240,000.00
Braderos:	US\$105,000.00	US\$122,100.00	US\$ 157,500.00
Misceláneos:	US\$ 5,000.00	US\$ 7,000.00	US\$ 10,000.00

III. VIABILIDAD ECONOMICA DEL PROYECTO

Costo de Producción G. Anual para el primer año de producción. En el cálculo de costos, se tiene en consideración la construcción de la planta misma, servicios completos de reparación y mantenimiento en 300 verajos, y todos servicios misceláneos, con un total de 31,000 horas de trabajo (en unidades de tiempo diario).

Costos de Producción.

(a) Materiales Primas: Los materiales requeridos para la construcción y reparación de embarcaciones, son muy variados y muchas veces, especiales. A continuación solo enumero los materiales principales con cotizaciones generales y aproximadas.

Maderas.	Laurel o pino amarillo	20,000 pies cuadrados.
	Cacifo de lora y balsa.	20,000 "
	Boble de lora.	3,000. "

Metales.	Acero y acer-B. (U.A.E.) 40 toneladas.
	Hierro colado y demás metales. 10 ton.
Con un valor total de US\$ 30,000.00	

(b) Materiales:

Pinturas: Epoxy zinc, Silver, primoco, epoxy blancas, latex, copper antifouling, barnices, etc.).
Unas 1800 galones.

Ferrería en general: Tornillos y clavos de zinc, cobre, hierro, acero; arandellas; pasadores; tuberías metálicas, plásticas, etc.; insulación de políftal, styrarfoam, cemento; láminas de vitrín y básculita, etc.

Equipos diversos: Mólicos (40" x 34"); ejes de acero inoxidable, winches CMC en lana, anclas, baterías, sistemas de iluminación ordinaria y náufragos, telegramas accesorios eléctricos, plantas eléctricas, luces de achique, cocinas de petróleo, unidades de enfriamiento y refrigeración, fotómetros, equipos de radio-comunicación, etc.
Con un valor total de US\$ 30,000.00

(c) Mano de obra. La empresa empleará, durante su primer año de producción, un jefe de mecánica y tinnería, dos mecánicos especializados,

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dos asistentes de mecánica, un jefe de carpintería, tres carpinteros de madera y mampostería, y dos asistentes de carpintería.

Con un sueldo anual total de US\$ 12,000.00

Costo de Operación.

(a) Gastos de Administración: El Personal de Administración constará de, un administrador-contador público, un asistente oficinista y dos encargados de servicios y mantenimiento. En conjunto exhibirán un sueldo anual de US\$ 8,400.00 y donde, se reservará la cantidad anual de US\$ 2,000.00.

Gastos Totales de Administración US\$ 10,400.00

(b) Gastos de Ventas: Dada la naturaleza de la empresa, no es necesario incurrir en gastos de ventas, anuncios, etc... y por tanto asumimos un gasto nulo para esta sección. Costos fijos y variables. Todos los gastos anteriormente citados, pueden considerarse como gastos fijos, y solo se considerarán gastos variables, el 20% del material consumido por los talleres de mecánica, dada la variabilidad de las reparaciones mecánicas. El resto, está gobernado por un sistema sencillo de producción que produce necesariamente, los costos detallados de la construcción y reparación de las naves en consideración. Proyección de los Gastos de Producción para el Segundo y el Tercer Año de Operación.
(Véase el Formato a continuación).

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ESTADOS DE PAGOS Y GANANCIASA. INGRESOS TOTALES:

	<u>1er año</u>	<u>2do año</u>	<u>3er año</u>
VENTAS ASTILLERO	\$ 40,000.00	\$ 230,000.00	\$ 340,000.00
VENTAS VENDEDO	\$ 105,000.00	\$ 122,500.00	\$ 157,500.00
VENTAS MERC. NEAS	\$ 5,000.00	\$ 7,000.00	\$ 12,000.00
VENTAS NETAS	\$ 155,000.00	\$ 359,000.00	\$ 409,500.00

B. COSTO DE PRODUCCION:

	<u>1er año</u>	<u>2do año</u>	<u>3er año</u>
MATERIAS PRIMAS	\$ 30,000.00	\$ 65,000.00	\$ 90,000.00
MATERIALES	\$ 50,000.00	\$ 90,000.00	\$ 90,000.00
SALARIO DE OBRA DIRECTA	\$ 32,000.00	\$ 43,000.00	\$ 43,000.00
DEPRECIACION (MAG. 2.5%)	\$ 10,000.00	\$ 10,000.00	\$ 5,000.00
REPARACION Y MANTENIMIENTOS	\$ 2,000.00	\$ 10,000.00	\$ 10,000.00
CONSUMPTIVOS (ELECTRICIDAD)	\$ 2,500.00	\$ 2,500.00	\$ 3,000.00
SEGURO DE LA PLANTA	\$ 1,000.00	\$ 1,300.00	\$ 1,300.00
IMP. TOTAL	\$ 127,500.00	\$ 239,000.00	\$ 242,300.00

C. GASTOS DE ADMINISTRACION:

	<u>1er año</u>	<u>2do año</u>	<u>3er año</u>
DETALLOS	\$ 8,000.00	\$ 9,000.00	\$ 9,000.00
GASTOS DE OFICINA	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00
IMP. TOTAL	\$ 11,000.00	\$ 12,000.00	\$ 12,000.00

D. GASTOS FINANCIEROS

	<u>1er año</u>	<u>2do año</u>	<u>3er año</u>
DEL CAPITAL	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00
DEL INTERES	\$ 4,800.00	\$ 3,600.00	\$ 3,700.00
IMP. TOTAL	\$ 19,800.00	\$ 18,600.00	\$ 18,700.00

E. TOTAL GASTOS

	<u>1er año</u>	<u>2do año</u>	<u>3er año</u>
IMP. TOTAL	\$ 137,400.00	\$ 259,700.00	\$ 372,000.00

F. UTILIDAD NETA

	<u>1er año</u>	<u>2do año</u>	<u>3er año</u>
IMP. TOTAL	\$ 32,100.00	\$ 96,800.00	\$ 137,500.00

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IV. SUSTITUCION SOCIO - ECONOMICA

Empleo. En el primer año de producción, el personal de la empresa será de diez y seis hombres, distribuidos en la forma siguiente:

Personal de Administración: cuatro empleados (un administrador y contador público) un asistente de oficina, y dos encargados de servicios y mantenimiento).

Personal de Carpintería: siete empleados (un jefe de carpintería, tres carpinteros de rívera y marina, dos asistentes de carpintería).

Personal de Medicina: cinco empleados (un jefe de medicina y farmacia, dos medicos especializados, y dos asistentes de medicina).

Todos los empleados de la empresa, recibirán inicialmente ~~seis~~ ^{seis} sueldos basados en sus conocimientos técnicos, años de experiencia, etc. Esta escala de pagos será superior a las normales, para atender a la empresa, el mejor personal posible. Se contempla además un plan de aumentos de sueldos fijos y moritorios, para estimular de los ~~des~~ ^{des} deseos de mejoría de los empleados.

Se espera aumentar el número del personal a veinte para el segundo año de producción, y a veintidós para el tercero año. Mencionar en la Balanza de Paga, las flotas comerciales en Nicaragua: Los ~~que~~ ^{que} tiene una efectiva por unas diez a quince embarcaciones aproximadamente.

Estas embarcaciones son compradas en su totalidad, en Méjico y los Estados Unidos. Sus valores conjuntos en un periodo de tres años, oscilarán a un mínimo de US\$ 910,000.00 a un máximo de US\$ 2,025,000.00. Durante producción durante este periodo, será de catorce embarcaciones con un valor de US\$ 600,000.00 que representan divisiones que permanecerán en el país.

Dificultades al Comercio y al Desarrollo Económico. Presentemente, la mayoría de los camiones de el área, no tienen facilidades para servicios de reparación mecánicas, y en lo mayor de los casos, no han facilidades de varaje. Esto es debido en parte, al poco cuidado de las vías férreas de los verdaderos locales, así como también, lo anticuado que resultan sus equipos. Debido a estas dificultades, muchos camioneros tienen que remontarse a Méjico y a veces hasta los Estados Unidos para efectuar reparaciones de averías normales o accidentales. Es difícil estimar con certeza las pérdidas totales a que ascienden dichas reparaciones, entre los trámites legales de embudos, y salidas a otros países, los gastos de combustible y personal, y de mayor importancia, las pérdidas enormes que representa el tiempo perdido de pesca. Puesto que nuestros verdaderos poseen menor espacio / que el requerido normalmente, esto representaría una garantía de servicio aquellas embarcaciones con averías de emergencia. etc. De este modo, esperaremos aquellas embarcaciones que ordinariamente tienen que abandonar el país para efectuar sus reparaciones, con las correspondientes reparaciones de divisas y tiempo valioso de pesca en aguas norteamericanas.

Protocolo y Estímulo: Dada las características de industria fundamental (Vea Ley #133, del 20 de Marzo de 1938), un astillero requerirá ayuda gubernamental durante sus primeros años de desarrollo, para seguir las tan necesarias reinversiones requeridas por una empresa de tal complejidad y magnitud. Presentemente, se están haciendo en Managua, las gestiones negociales para darle a ésta empresa el reconocimiento legal de industria fundamental, con todo auxilio gubernamental.

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V. ANEXOS TECNICOS

Características técnicas de los productos a elaborar. En cada uno discede el primer andante un casco de 30 toneladas (en madera). Igualmente hay otro diseño en acero, de 30 toneladas. Las especificaciones generales para la nave de acero son las siguientes: Tonelaje: 30 toneladas; eslora: 32'; manga: 20'; calado: 8'; quilla: barra/acero-3. 2/3" x 3"; travesaños: plancha/acero; cubierta 2/10" planchas/acero. Pinturas: Rust à Burne, Dual Primer, Anticorrosivo y antifouling, en total de seis capas. Frigómetros: capacidad 20 ton., en hierro fundido., construcción de styrofoam-concreto. Planta motriz Caterpillar # 363 con supercargador. Málicos 48" x 34" de tres paletas Michigan. Eje de transmisión 3" x 14" de acero inoxidable. Winch CMC en línea. Seis baterías de ochenta voltios con cargador de baterías. Fogón de cocción de petróleo. Luces de navegación y sistemas de reflectores. Radiotelefono MTR Cruisephone 140. Compás navigation Ritchie modelo 2450. Petrómetro Raytheon modelo DE-721. Tanques de petróleo especiales al aceite, con capacidad para 6,000 galones de petróleo. Un tanque para agua potable de 750 galones, etc.

Proceso de Producción

El proceso de construcción de embarcaciones y los servicios requeridos por dichas naves son por necesidad complejos, aunque con metodología llegan a simplificarse exorbitantemente. A continuación, se da una descripción breve de los procesos a seguir en el astillero, y en el veradero. La construcción de una nave comienza con la colocación de la quilla sobre la plataforma de moldes. Inicio en la colocando el escotillo, que ya debe tener su curvatura planteada en las esquinas de

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Torpedo a vapor. Se fijan los traveses y colectores, seguido a lo cual se cortan los mástiles del castillaje. Separando desde la quilla hacia arriba se van colocando el entabliado, el casco de modo que cada placa forme un ajuste perfecto y hermético (al echar el casco al agua, la madera sufre una expansión precalculada que salva por completo el casco sin necesidad de calafatear). Se barran el cascamo del eje y se fijan los sujetos del timón y su casulla; se colocan los tanques de combustible, agua potable y la bodega de refrigeración. Se tira el entabliado de la cubierta y la caja de la tripulación. Se colocan los refuerzos de acero a la proa, popa y cuarto de máquina. Ya en tierra se instalan las instalaciones secundarias como son, la pintura, suministro eléctrico, plomería, colocar equipos y armarios, plumbos con su vicio, colocar la planta motriz y echar la nave al agua. Ya en el agua, se llevan a cabo los trabajos finales.

Para una embarcación de acero, el proceso es mucho más sencillo, y por consiguiente de menor costo.

El proceso normal de servicio de verano a una embarcación es lo siguiente: La cuna (ver diagrama Nro. 1 y Nro. 3), separa a la embarcación a la entrada de la rompe. Sacando las boyas de maniobra, la nave penetra sobre la cuna y queda apoyada por las traviesas que la tripulación saca desde la nave. Si viento Nro. 1 sube la cuna sobre la rompe lateral y de allí la coloca a su posición correspondiente. Ya en la posición, se rompe inmediatamente con cepillos eléctricos portátiles y agua a presión. Mientras el casco se seca, se le inspecciona minuciosamente para advertir alguna señal de penetración por gusanos en la madera.

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Se comienzan los trabajos de calafateo y el asegurar el casco en general. Lo sigue, las primeras capas de pintura de protección. Mientras tanto, los trabajos necesarios de mecánica se están efectuando en el interior. Al darle las últimas capas de pintura al fondo, se efectúa la inspección final, y al aplicar la última capa se echa al agua. La operación completa no dura más de dos o tres días en un dique moderno, y cumplen los trabajos coordinados de dos carpinteros, un mecánico, y dos asistentes de patio, así como también el usual surtido de piezas de reparación y repuesto.

Instalaciones

Como se puede observar en el diagrama No. 1, el terreno ocupado por el astillero es relativamente pequeño: de unos 18,500 metros cuadrados. Consiste en una rampa de concreto-reforzado, con tirantes de acero de 4", y posee una extensión de 150 metros de largo por 20 metros de ancho, y en su parte más profunda descendiéndole a una profundidad de siete metros. El patio central consiste en: una cámara lateral (26 x 17 x 1 ms.) que rueda sobre la cámara de concreto (417 x 25 x 1 ms.); tres secciones de cuna (43 x 30 ms) la tercera terminando en la nave de trabajos de artillería (33 x 32 x 11 ms).

Los edificios idénticos están destinados para los talleres de carpintería, mecánica, oficinas y almacenes, con un área de trabajo de 2200 metros cuadrados. Un edificio para la instalación de las dos plantas eléctricas de 75 kilowatts cada una, piezas de repuesto y equipos de electricidad en general (un tanque de 380 galones de petróleo estará enterrado al lado del edificio para proveer las plantas de combustible). Un tanque de agua dulce (4000 galones) con

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su piso y turbinas, completan las instalaciones de la primera fase del proyecto. La segunda fase se llevará a cabo durante el segundo año de producción.

Costo por cada procedimiento (aproximado):

Muro de retención y relleno del pantano	\$ 1,300.00
Empuje	\$ 4,000.00
Patio central	\$ 10,000.00
Cúmulo de la cuma lateral	\$ 4,000.00
Edificio de talleres/almacenes/oficinas	\$ 12,000.00
Edificio del taller de astillería	\$ 3,000.00
Edificio de las plantas eléctricas	\$ 2,000.00
Cuma lateral	\$ 4,000.00
Tres cumas de varadero	\$ 12,000.00
Tanque de agua con piso	\$ 500.00
Tendido eléctrico, drenaje, plomería, etc.	\$ 1,000.00
SUMA-----	
	\$ 55,000.00

Existen y juegan acerca de la localización de la planta. Podíamos desde el primer momento, que la localización de un astillero-taller en la Costa Atlántica de Nicaragua, tenía que residir en el área del Puerto del Surf- Manzanillo, o en Rio Escondido. Las razones son las siguientes:

1. V. económica

(a) Es el único puerto con comunicación fluvial y de carretera con el interior del país, con las consiguientes facilidades de movimiento para la compra de piezas de repuesto y materiales de construcción.

(b) Es el único puerto con fondo garantizado (compararse con lo anterior que se encuentra Puerto Cabanas al mar abierto).

(c) Es centro de compra de la pesca (Boat y Pescanica). Entre las dos Compañías, tienen un gran número de embarcaciones y crean una demanda local para facilidades de varaje.

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- (d) Es un centro de abastecimientos de combustible, víveres, piezas, y demás artículos.
- (e) Pleno reconocimiento de los potenciales del área por la DIVISIÓN. Sin duda, de aún mayor beneficio, hubiese sido un puerto con gran calado de fondo y acceso. Presentemente, la barra de arena del Bluff, limita la entrada a dicho puerto a embarcaciones con un calado de 13 pies o menos (un máximo de 800 tono.). Esto limita enormemente el tráfico comercial en Bluefield. Posiblemente, en un futuro no muy remoto, se drajea dicha barra, y para entonces, nosotros estaremos lo suficientemente desarrollados para dar servicios en diques flotantes a naves de gran tonelaje, haciendo así, del Puerto de Bluefield, un puerto de primera magnitud mercantil.

Possibilidades previstas de Expansiones Futureas:

Se prevén, en este estudio preliminar, la construcción de una nave adicional de 80 x 33 x 7 metros, para servir de taller general a tres cuadras de astilleros simultáneamente. Igualmente, la construcción de un muelle de concreto para aquellas naves que no requieran varaje. El muelle irá equipado con una grúa móvil, y servicios de electricidad y agua potable. Tentativamente, este plan (Fase II) se llevará a cabo durante el segundo año de operaciones. (Véase el diagrama No. 1).

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VI. ANALISIS FINANCIARIOMonto estimado de la inversión total del proyecto

El estimado del monto total del proyecto es de cincuenta treinta y siete mil dólares (US\$ 337,000.00). Los rubros específicos están presentados en el formato No. 3 al final de este capítulo. El monto del préstamo solicitado al IDBOMC, y su utilización se da a continuación en forma general por rubro.

Equipos de Construcción:

Bos caniones de volteo de 2 1/2 toneladas cada uno. Carretillas para concreto, elementos de vibradores de concreto (nosotros poseemos los compresores), cubo de concreto para la grua, tubería de lometa para echar concreto bajo del agua, troncos y sus tuberías de hierro, etc.

Valor total (aprox.) de US\$ 25,000.00

Materiales de Construcción:

50,000 Sacos de cemento Lono-Star.
 300 toneladas de cañillaje de 1/2" y 3/4" corrugado, con su alambre de respo.
 15,000 pies cuadrados de tejado de aliazo.
 50,000 pies cuadrados de baldosa de construcción.
 50 toneladas de vía férrea de 4".
 54 carrioles de ferrocarril (1 1/2" a 2 1/2" diámetro).
 Accesorios de vía, etc.
Valor Total (aprox.) de US\$ 40,000.00

Talleres Taller Carpintería:

Herramientas de madera (2' x 10').
 Sierras de madera, bisagras de presión, dos taladros eléctricos de 2".
 Dos lijadoras eléctricas, lijadora y procesadora de madera, cajas de herramienta, dos juegos completos de herramientas y equipos portátiles eléctricos, etc.
Valor Total (aprox.) de US\$ 8,000.00

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Equipos Taller Mecánico:

Universo (adicional) INVENTICA de US\$ 24,000.00. y US\$ 3,000.00
por INVERCA.

Torno para ejes (cama 24" tuerca 40").

Torno de precisión 3 rotativo (cama 1" tuerca 12").

Taladro Duffal. Pines de 2" en accesorios.

Sillaña Miller Turner modelo N.º 3310

Centro presión hidráulicas manuales de 20 ton. cada una.

Herramientas eléctricas.

Procedimientos dianas.

Prensa de apertura de 12".

Sistemas de diferenciales (1 tna).

Tres juegos de terrajas completas, juegos de copas, con minerales, extensión, llaves de torsión, llaves de combinación, juncos de capacidad, vts.

Un lote completo de herramientas con sus gabinetes, tornímetros, calibradores, cortadoras, pulidores, etc., de válvulas, juegos de bujías, una unidad de análisis de motores, vts.

Valor Total (aprox.) de US\$ 24,000.00

Características del Capital Social:

El capital de financiamiento de la INVERCA tiene dos fuentes:

Los aditivos equipos y materiales que ya posee dentro de Biscarrius,

con un valor total de más de US\$ 130,000.00, y segundo, el capital

social de la empresa, suma que asciende a US\$ 50,000.00.

Características:

A continuación, se presenta la lista general de los equipos de la INVERCA que se utilizarán en el proyecto. Dichos equipos son en su mayoría equipos nuevos y en pleno estado operacional, es decir, que

la INVERCA posee al personal técnico necesario para sus operaciones

y mantenimiento. A pesar que en su mayoría dichos equipos son nuevos,

el monto total de sus valores omite la usual depreciación del 20%

del precio que pagó la INVERCA por dichos equipos en los Estados

Unidos en mercancías por su manejo de uso. No se incluye costos

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adicionales de flote marítimo, ademas, etc. Ya que carecemos de
listas de cotización los precios son aproximados.

Equipos de Construcción.

- 12 BULLDOZERS CATERPILLAR D-7
- 3 Autotractores CATERPILLAR D-4. 113
- 3 Grúa Little Giant de cap. 15 ton
- 2 Planta Eléctrica CATERPILLAR 3000 de 75 Kilovatios cada una
- 2 Planta EMOLE
- 3 L. C. M. de 25 ton. con tolva para equipos
- 3 Petate de arena de 40 ton
- 3 Concretora KELK-MIX modelo 60
- 1 Camioneta VILLAS 1964
- 2 Jeep VILLAS 1964
- 2 Trailers de tres toneladas.
- 2 Compresor con equipos CATERPILLAR de 90 H. P.
- 2 Compresor con equipos chicos con motor Wisconsin de 9 H. P.
- 2 Turbinas GEMAS de 2" y 2 1/2" de diámetro con sus motores.
- 2 Turbinas GEMAS de 1" con motor
- 20 Lotes de herramientas de construcción (piezas, palas, cavadoras, etc.)
Con un valor total (aprox.) de US\$ 90,000.00 con 3% depreciación.

Equipos con Mecánica:

Lotes

170 V - 2020

de cau-acetileno.
CRAFTSMAN.

- ta de 1 1/2"
- electrificada de 3/4".
- y pulidores eléctricos.
- electrificadas de mano

valor total (aprox.) de US\$ 6,500.00

Materiales Diversos:

- tendido eléctrico de alto voltaje.
- tendido eléctrico de 600 voltios.
- de hierro de 1 1/2" x 10"
- eléctricos de 12 y 34 voltios.
- eléctricos.
- de piezas de repuesto para nuestros motores CATERPILLAR.
- H. VILLAS.
- de hierro, cobre, zinc; pintura, lacas, accesorios de baterías de 12 voltios, tanques de agua de 1500, 1000, 100 y 50 galones, isoladores, etc.
- valor total (aprox.) de US\$ 10,000.

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PLANO GENERAL DE INVERSIONES

<u>DETALLES DE INVERSIÓN</u>	<u>PIVOLICA</u>	<u>REFONAC</u>	<u>TOTAL SOCIEDAD</u>
COSTOS DE INSTALACIONES:			
a. Equipos de Construcción	\$ 90,000	\$ 20,000	\$ 110,000
b. Materiales de Construcción	\$ 15,000	\$ 40,000	\$ 55,000
c. Equipos Taller Mecánica	\$ 31,000	\$ 8,000	\$ 39,000
d. Equipos Taller Carpintería	\$ -----	\$ 8,000	\$ 8,000
b. COSTOS DE ORGANIZACIÓN:	\$ 500	\$ -----	\$ 500
c. CAPITAL DE TRABAJO:	\$ 25,000	\$ -----	\$ 25,000
d. INVENTARIOS:	\$ 20,000	\$ -----	\$ 20,000
TOTAL	\$165,000	\$ 75,000	\$ 240,000
	(50,000)	(20,000)	(30,000)

NOTA:
Los terrenos serán arrendados a la SOCIEDAD PIVOLICA por una suma
anual que se acordará una vez calceando los créditos.

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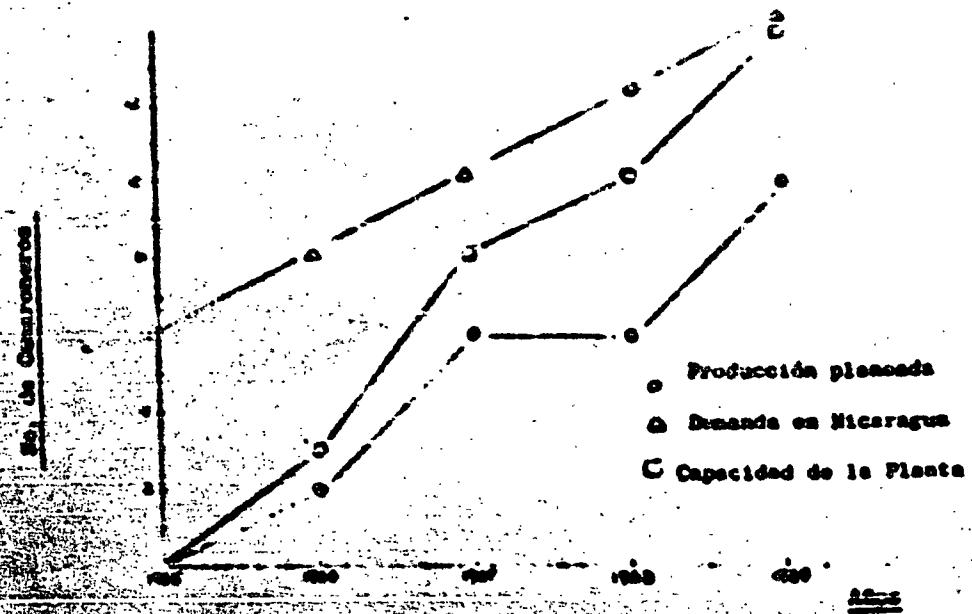
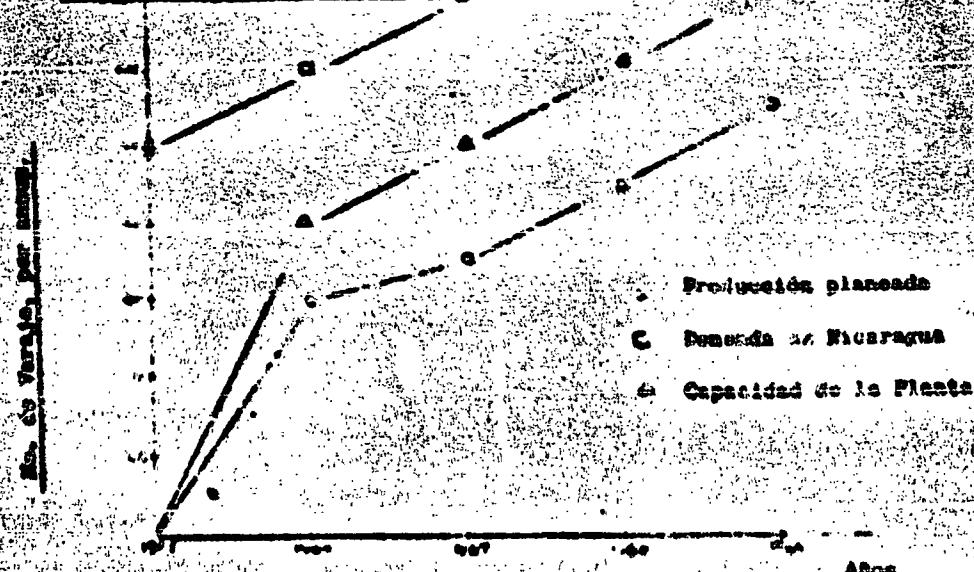
FUENTES Y USOS DE FONDOS

<u>A. FUENTES</u>		<u>PERIODO DE INSTALACION</u>		<u>PERIODO OPERACIONAL</u>		
		1er	2do	1er	2do	3er
1.- Capital Propio.	\$ 110,000			-----	-----	-----
2.- Financ. a mediano plazo	75,000			-----	-----	-----
3.- Ventas	-----			\$180,000	\$366,000	\$408,500
4.- Saldo del año anterior	-----			\$145,000	\$173,000	\$221,500
TOTAL FUENTES	\$237,000			\$351,500	\$441,500	\$531,500
<u>B. USOS</u>						
6.- Inversión fija						
6.1. Edificios etc.	\$ 55,000			-----	-----	-----
6.2. Maquinaria	\$ 41,500			-----	-----	-----
6.3. Costo de Produc-						
6.3.1. Gastos de adqui-	-----			\$137,500	\$229,100	\$268,300
6.3.2. Gastos de ma-						
6.3.3. tracción, -	\$ 200			\$ 10,400	\$ 18,000	\$ 22,000
TOTAL USOS	\$ 97,700			\$137,500	\$351,100	\$434,300
DIFERENCIAS (A-B)	\$140,000			\$152,100	\$350,300	\$577,200
6.4. Amortización del						
préstamo	\$ -----			\$ 18,500	\$ 18,600	\$ 27,700
6.5. Reinversiones	\$ -----			-----	\$ 50,000	\$ -----
6.6. Dividendos	\$ -----			-----	-----	\$ 50,000
SALDO PARA EL AÑO						
SIGUIENTE:	\$140,000			\$173,600	\$421,500	\$520,500

NOTA:

Este capital representa el valor de los equipos de construcción, el capital de trabajo y el capital para imprevistos, y por tanto, es una cifra máxima. No es necesariamente cierto que este capital permanezca intacto, pero si estimamos que no sea menor de los US\$ 110,000.00.-

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POTENCIAL DE PRODUCCION- ALUMINIOPOTENCIAL DE PRODUCCION- VARIACIONES

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NOTA DEL APÉNDICE:

El reverdecimiento de las necesidades del astillero, de las extensas (e intensas) reparaciones que requieren las flotas, y del enorme volumen del mecanizado, reveló el enorme peso que tendrá que sobre-llorar los talleres de mecánica y carpintería.

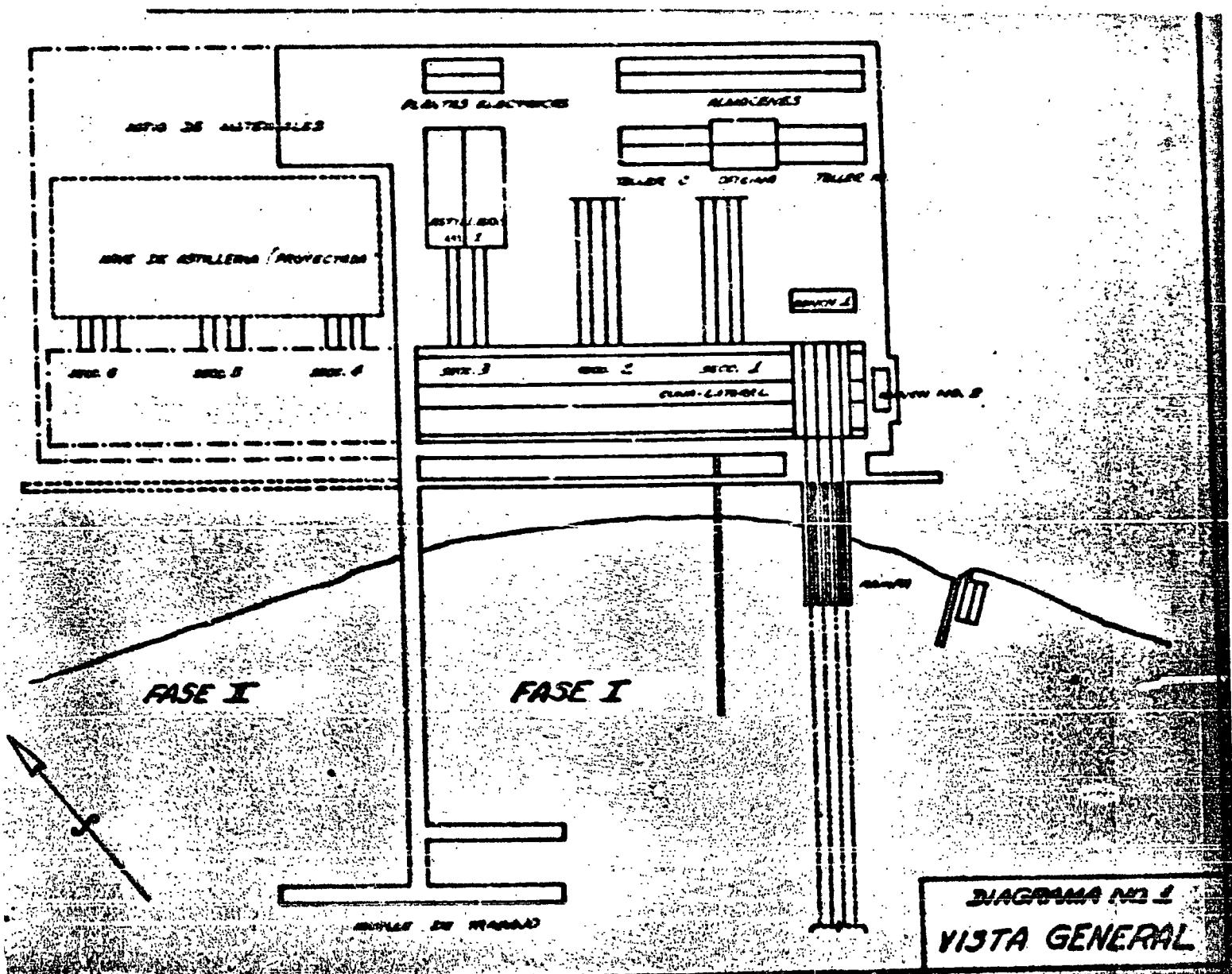
Dado el capital que dispone INVEINICA en estos momentos, solo puede disponer de US\$ 25,000.00 para dichos talleres (más US\$ 6,500 en equipos que ya poseemos) para dichos talleres, ya que en ésta etapa, el énfasis está en la construcción y una producción inmediata.

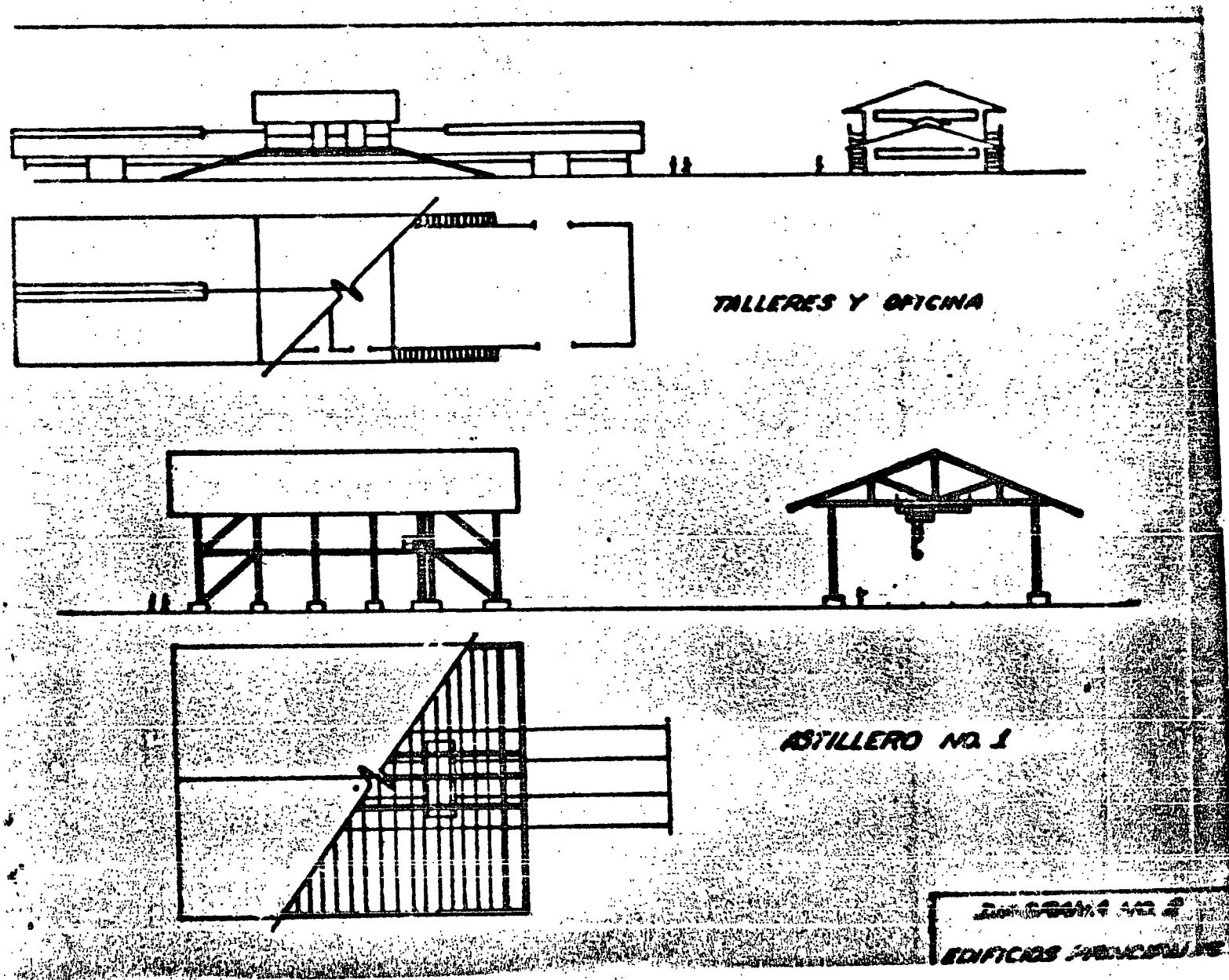
En resumen, que una inversión adicional en los talleres, son de vital importancia para una producción eficiente y de menor costo. El astillero, por naturaleza, demanda una producción en serie.

varios equipos sofisticados, un notable volumen de piezas de repuesto y capital auxiliar.

Podemos optar por comprar dichos equipos con las ganancias del primer año. Pero creo conveniente, que esta suma adicional se le incorpore al plan de préstamos iniciales, solicitados por la empresa.


M.P.R./ml





ESPECIFICACIONES :

PESO NETO : 10 TONELADAS
CAPACIDAD : 82 TONELADAS
ESLOPA : 80 METROS
ANCHO : 10 METROS
TIEMPO DE MONTAJE : ~ 15'

ESCALA

1 METRO

DIAGRAMA N° 3
CUNA PARA CAMIONEROS

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TYPIC AMWORLD AMTABBY

ACTION

6 JUL 1968

1. FOLLOWING FROM AMTABBY-27 WHO AT 2130 HOURS 14 JULY 68 VISITED MRR OFFICES AND DISCOVERED ARTIME GIVING CLASSES ON "HUMAN RIGHTS," AND ANTONIO IGLESIAS ON STREET FIGHTING TO GROUP ABOUT 20 MEMBERS. INCLUDED IN GROUP WERE FREDDIE BORGES CAIGNET, EDGAR SOPO BARRETO, (ARTIME'S AIDE), QUINTANA (MIL SEC) (POSSIBLY RAFAEL QUINTERO IBARBIA) GOUILLOT (PROBABLY MANUEL GUILLOT DE LA SERNA) (FORMER MEMBER ALPHA ~~ATTY~~) ~~ATTY~~; NILO MESA (POSSIBLY NILO MESSER PUJOL).
2. ARTIME NOW DESCRIBED AS QUITE PLUMP, CHAIN SMOKER, VERY NERVOUS AND NEVER STRAYS FAR FROM PERSONAL BODY GUARD "GALLEGO" SAENZ. ARTIME WHO ON FRIENDLY TERMS A-27, GREETED WARMLY, ASKED WHAT HAPPENED TO KUBARK ASSIGNMENT WHICH PLANNED FOLLOWING A-27 LEAVING MRR. A-27 INFORMED ARTIME HAD TURNED DOWN KUBARK EMPLOYMENT AS INVOLVED ACTIVITIES NOT DIRECTED AGAINST PBR;MEN. ARTIME STATED HE LEAVING FOR EUROPE ON 16 JULY FOR TWO WEEK TRIP; SIXTO "TITO" MESA ALOMA WHO DESCRIBED AS ARTIME'S "MONEY MAN" IN EUROPE AS OF 14 JULY.
3. ARTIME HAS PURCHASED PICK-UP TRUCK FROM DUMAS MILNER, LOCAL AREA CHEVY DEALER, AND ALLEGED ACTING VERY CLANDESTINELY RE ACTIVITIES,

Overall IN 13378 102

H
ARTIME VISITS MRR OFFICES ONLY AT NIGHT, CHANGES RESIDENCES EVERY OTHER DAY OR SO. THESE ACTIONS FREDICATED ARTIME CONCERN THAT "SOMEONE OUT TO KILL HIM" AND FEAR ATTACK FROM SOME EXILES WHO CONSIDER HIM LIABILTY. HAS "RECRUITED" TWO INDIVIDUALS WHO PREVIOUSLY IN MRR CAMPS NICARAGUA, AND RECENTLY PAID EACH 358 DOLLARS REPRESENTING FIRST MONTH'S PAY. ALSO TOOK THESE TWO TO WAREHOUSE WHERE GREAT AMOUNT CPTES WHICH HE DESCRIBED AS MILITARY EQUIPMENT; MAN SAW NO WEAPONS. ARTIME CLAIMED EXPECTED ADDITIONAL SHIPMENT MATERIEL SHORTLY AND WANTED THESE TWO PREPARE EQUIPMENT FOR SHIPMENT TO MONKEY POINT, NICARAGUA, THEN PROCEED TO MONKEY POINT ASSIST REOPENING CAMP. ARTIME TOLD TWO MEN HAS SUPPORT (UNIDENTIFIED) HIGH ODYOKA OFFICIAL WHO TOLD ARTIME CARRY OUT THREE OR FOUR OPERATIONS. IF OPERATIONS SUCCESSFUL, ARTIME ALLEGED, HE TOLD HE WOULD RECEIVE FULL SUPPORT AS PREVIOUSLY, BUT ONLY IF "HE PRODUCES." ARTIME INFORMED TWO MEN THAT "WE HAVE BEEN GIVEN SECOND CHANCE; WILL NOT FAIL THIS TIME."

SECRET

CFN 4049 AMTAEBY-27 2130 14 65 MRR ARTIME ANTONIO IGLESIAS 20
FREDDIE BORGES CAIGNET EDGAR SOPO BARRETO QUINTANA RAFAEL
RAFAEL QUINTERO IBARBIA GILLOT MANUEL GUILLOT DE LA SERNA ALPHASAYY
NILO MESO NILO MESER PUJOL GALLEGU SAENZ A-27 A-27 MRR A-27
EUROPE 16 SIXTO TITO MESA ALOMA 14 DUMAS MILNER CHEVY MRR NICARAGUA

SECRET

1400000 1013378 183

350 DILLARS NO WEAPONS MONKEY POINT NICARAGUA ODOKE NOT FAIL

BT

SECRET

SECRET

WH/C 65-303
19 July 1965

MEMORANDUM FOR: Chief, Monetary Division

VIA : Chief, WH/Budget & Fiscal

SUBJECT : Transfer of Funds

Please cable instructions to your representative in Frankfurt to contact the bank in Zurich to cable transfer the amount of \$12,000 to the First National City Bank, New York, for credit to the account of Gregory Cardinal or Charles Ranney.

Carl E. Jenkins
WH/C/CA/EA

cc: WH/BDF

BDF/WH/C/CA/EA/CEJenkins:ba (19 Jul 65)

Distribution:

Orig & 1 - Addressee
1 - WH/C/Sec
1 - WH/C/CA/EA

SECRET

SECRET

673

ME/C 65-402
19 July 1965

MEMORANDUM FOR: Chief, Monetary Division
VIA : Chief, ME/Budget & Fiscal
SUBJECT : Deposit to INNOVEX Account

Per attached voucher, it is requested that you deposit the amount of \$12,000 to the INNOVEX account of AMBIDEX-1.

Carl E. Jenkins
ME/C/CA/EA

Attached:
Voucher

cc: ME/B&F

MEP/ME/C/CA/EA/CEJenkins:bh (19 Jul 65)

Distribution:

Orig & 1 - Addressee
1 - ME/C/MEC
1 - ME/C/CA/EA

SECRET

CALL : C.E.Jenkins/bk
 UNIT : WH/C/CA/EA
 DATE : 4550
 DATE : 19 July 85

MESSAGE FORM
 TOTAL 24

SECRET

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TO : JMWAVE MANAGUA SAN JOSE PANAMA CITY

135255Z 22 JUL 85

FROM: DIRECTOR

CONF: **W H K 8** INFO: VR . FILE, RD COPY **W H 8, CI/ops, CI/0A**

SIG GEN

TO WAVE MWS MANA SJOS PACY CITE RPT

22000

TYPIC AMBIDY ANTABBY

REF: WAVE 4649 (IN 13378) (NOT SENT SJOS PACY)

1. KINDLY IDENTIFY TWO INDIVIDUALS SOURCE/PARA 3 REF. ANY OTHER EVIDENCE CRATES IN WAREHOUSE CONTAIN MILITARY EQUIPMENT? PLEASE DO NOT INDICATE UNDUE INTEREST THIS MATTER TO AMBIDY-1 PEOPLE.

2. FYI, SO FAR AS HQS KNOWS AMBIDY-1 IS WELL AWARE ANTABBY-27 WORKS FOR WAVE; SIXTO MESA HAS BEEN EUROPE SINCE 16 MAY ON VACATION AND PERSONAL BUSINESS; A-1 LEFT 16 JULY FOR NICARAGUA, COSTA RICA AND PANAMA FOR TWO WEEKS VACATION WITH SOME MEETINGS OFFICIALS ALL COUNTRIES; MRR HAS BEEN RUNNING RURAL CIVIC ACTION TRAINING AT NIGHT BECAUSE MEMBERS WORK DAYTIME; PURCHASED TRUCK TO SUPPORT TRAINING BY DEVELOPING SMALL MODEL FARM; A-1 PLANS VISIT MONKEY POINT TO ASSESS FOR POSSIBLE RURAL CIVIC ACTION PROGRAM IN RICE COOPERATIVES HE DISCUSSED WITH PRESIDENT SCHICK, ALSO POSSIBLE FISHING COOPERATIVE AT BLUEFIELDS; A-1 SAID HAD RECEIVED INVITATION VISIT PRESIDENT ORLICH AND JONMIN ODUBER; A-1 PLANS VISIT RURAL COOPERATIVE CENTER IN VERAGUAS PROVINCE HE HAS BEEN ASKED TO PARTICPATE BY BISHOP MC GRATH AND MR. GEORGE LODGE OF HARVARD, THEN TO DISCUSS MATTER WITH PRESIDENT ROBLES.

3. A-1 CASE OFFICER, JAMES D. ZABOTH, PLANS MEET HIM MIAMI

COORDINATING OFFICERS

RELEASING OFFICER

19-23

SECRET

GROUP I
 Exempted from automatic
 downgrading and
 declassification

AUTHENTICATING
 OFFICER

COPY NO.

REPRODUCTION BY OTHER THAN THE ISSUING OFFICE IS PROHIBITED.

CRG :	MESSAGE FORM:	TOTAL CLR 4.00	COMINT: C EDITION IS STANDBY. CALL ED TO: 202-546-6000 FOR COMMINT INFORMATION
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EXT :	<input type="checkbox"/> CWD INDEX	1 5	
DATE :	<input type="checkbox"/> FILE IN CS FILE NO.	2 6	
		3 7	
		4 8	

TO :

PAGE 2

FROM: DIRECTOR

COMINT: INFO: VR , FILE RID COPY

TO INFO DATE SUB 28980

AREA ABOUT 1 AUG. WILL DEBRIEF AND ADVISE ALL STATIONS CONCERNED HIS ACTIVITIES. WILL CONTACT WAVE BY PHONE ON ARRIVAL. WILL LOOK INTO MATTER OF POSSIBLE MILITARY EQUIPMENT BY UNANNOUNCED VISIT TO WAREHOUSE DURING VISIT.

END OF MESSAGE

by Joseph J. Estes
WILLIAM V. BROE
C/WX

WH/2 G. J. Estes
WH/C/CA W. V. Broe
WH/C/MO J. L. Hart

J. L. Hart
JOHN L. HART
DCWHD/C

RELEASING OFFICER

COORDINATING OFFICERS

S E C R E T

SECRET
Excluded from automatic
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SECRET 220025Z

PRIORITY DIR INFO HANA CITE WAVE 4156

~~IMPORTED~~ WORLD ANKNOB

~~MC~~IGHT ACTION

22 Jun 65 ed 16311

REF DIR 28960 *

1. AMKNOB-1 LEARNED FROM ALFREDO BORGES CAIGNET OF ANYUM GROUP THAT AMBIDDY-1 AND WIFE VISITED NICARAGUA WEEK 11 JULY AND NIGHT RETURN MIAMI SOON. AMBIDDY-1 PLANS TRAVEL CENTRAL AMERICA IN ORDER MAINTAIN CONTACT THOSE GOVERNMENTS. ONLY ANYUM BASE LEFT IS IN NICARAGUA WHERE ABOUT 50 TRUSTED MEN REMAIN. GROUP HAS ARMS AND EQUIPMENT CACHED THROUGHOUT CENTRAL AMERICA.
 2. ACCORDING BORGES, ODYOKE ASSISTANCE ANYUM REDUCED "SEVERAL THOUSAND DOLLARS MONTHLY FROM HUNDREDS THOUSANDS MONTHLY." CURRENT SUBSIDY FOR PSYCH OPS, MAINTENANCE TWO PT BOATS, AND TRAVEL EXPENSES.
 3. BORGES SAID THAT ALTHOUGH ODYOKE HAS FORBIDDEN FURTHER BELLIGERENT OPS, AMBIDDY-1 PREPARING AGGRESSIVE OPS AGAINST PERUMEN, ESPECIALLY BLOWING UP OF SPANISH, BRITISH, OR SOVIET SHIP INVOLVED PBRUMEN TRADE. THIS BEING DONE WITHOUT KNOWLEDGE ODYOKE. AT SAME TIME AIR ATTACK BEING PLANNED AGAINST CUBA FOR 25 OR 26 JULY.

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IN 16310 12-2

D ACCORDING BORGES, ANYUM HAS ACCESS TOU BOS-ANYUM PLADES NIAMI AIRPORT UNKNOWN TO ODYONE SINCE AIRCRAFT HAVE COMMERCIAL COVER. (AMANOB¹ SAID PILOT OF ONE MAY BE FRANK FIORINI.) ANYUA GROUP GETTING FUNDS FROM NON-PBPRIME SOURCE. (MANAB² SNID SOURCE MAY BE JESUITS SINCE AMBIDDY-1 HAS CLOSE CONTACTS CATHOLIC CHURCH AND RECENTLY VISITED ROME.)

4. AMBIDDY-1 ALLEGEDLY SNID OUTOKE HAS DEFINITE PLANS WHICH WILL BE DECISIVE WHEN PLACED IN EFFECT BUT DETAILS UNKNOWN. AMANOB-1 STATES BORGES CLAIMS KUBARK VERY BUSY INFILTRATING ARMS AND EXILES INTO PBRUMEN SINCE SOME FORMER ANYUM MEMBERS USED BY KUBARK THIS PURPOSE.

5. WAVE ATTEMPTING OBTAIN MORE INFO PLANS AMBIDDY AND ANYUM AND WILL FORWARD SOONEST.

6. WAVE PLANS NOT RPT NOT HAVE AMANOB-1 PASS ABOVE INFO CUIS.

SECRET

CFN 4156 28980 AMANOB-1 ALFREDO BORGES CAIGNET ANYUM AMBIDDY-1 NICARAGUA 11 JULY MIAMI CENTRAL AMERICA 50 PT SPANISH BRITISH SOVIET CUBA 25 26 JULY FRANK FIORINI HOME NOT HAVE

CUIS**SECRET**

BT CS Comment: *AMBIDDY-1 (3) plans to visit Monkey Point to assess for possible rural civic action program.

INDEX: YES NO
CLASSIFY TO FILE CO.
S-REF TO FILE NO.
FILE DIR RET. TO BRANCH
DESTROY SIG.

CLASSIFIED MESSAGE

TOTAL COPIES

34 SECRET

PLEASE PRINT ATTACHES

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EXCERPTS PROHIBITED

FROM JM WAVE

ACTION

USHC 8

1 RFD COPY

INFO VR, WH 8, CIA, S:06, FI

SECRET 220025Z

DIR INFO MANA CITE WAVE 4157

22 JUL 65 E 16327

TYPIC AMWORLD AMOT

1. DURING WEEK 4 - 18 JULY 65 ROGELIO JHONES AND LUIS H. VIDANA (PLS PROTECT) TOLD AMOT-128 FOLLOWING:
2. AMBIDDY-1 HAS TRANSPORTED STEEL BARGE LOADED WITH EQUIPMENT TO PORT EVERGLADES, FLORIDA. CARGO BELONGED DISMANTLED BASE NICARAGUA. AMBIDDY-1, USING KING (FNU) AS MEDIATOR, OFFERED TEOFILIO BABUN OF ANTILLEAN MARINE SHIPPING CORPORATION BARGE FOR \$25,000, WHICH 80 BY 27 FEET AND IN VERY GOOD CONDITION. BABUN DID NOT AGREE ON PRICE FOR BARGE BUT MADE OFFER FOR PURCHASE BOTH BARGE AND OTHER EQUIPMENT OF INTEREST HIM.
3. KING OFFERING SELL CONSIDERABLE RADIO EQUIPMENT, SURGICAL INSTRUMENTS, RAFTS AND BOATS, WINCHES, ELECTRIC GENERATORS, ALL OF WHICH KEPT IN TWO WAREHOUSES IN WAVE AREA.
4. ACCORDING PEDRO ACEVO, FORMER HEAD AMOT-128'S BASE NICARAGUA, AMBIDDY-1 PLANNING SELL ALL EQUIPMENT THAT WAS USED IN NICARAGUA FOR HIS OWN PROFIT. WIFE OF AMBIDDY-1, IN TALKING WITH CLOSE FRIENDS, SAID HER HUSBAND THINKS HE WILL BE ABLE SELL ALL EQUIPMENT FOR \$200,000, WHICH SUM ADDED TO THEIR SAVINGS OF \$300,000 WILL MAKE

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RENDIT

~~SECRET~~

N 16327 PAGE 2

TEN MILLION DOLLARS OF \$500,000. SHE SAID THIS MONEY WILL BE AVAILABLE TO COPE WITH FUTURE EMERGENCIES.

5. ACEVO SAID HE KNOWS SOME OF AMBIDDY-1'S TRICKY WAYS HANDLING ANYUM FUNDS. AMONG THEM WAS ONE IN WHICH ACEVO APPEARED ON PAYROLL AS HAVING BEEN PAID \$32 FOR SPECIAL EXPENSES. ACEVO CLAIMED HE NEVER RECEIVED ANYTHING MORE THAN HIS \$400 MONTHLY ALARY. OTHER OF ACEVO'S FRIENDS ALSO APPEARED ON PAYROLL AS HAVING RECEIVED \$32 DAILY, BUT THIS ALSO UNTRUE.

6. ACCORDING AMOT-120, VIDANA SAID THAT AMBIDDY-1 BLAMES KUBARK FOR HAVING BROKEN INTO HIS HOME RECENTLY. VIDANA, HOWEVER, SAID HE KNOWS IT WAS "COJO MORIN" WHO ROBBED AMBIDDY-1.

~~SECRET~~

CFN 41574 18 JULY 63 ROGEVIO JHONES LUIS M. VIDANA AMOT-120
AMBIDDY-1 PORT EVERGLADES FLORIDA NICARAGUA KING (FNU) TEOFALO
BABUN ANTILLAN \$25,000 SB BY 27 FRET NOT AGREE PEDRO ACEVO \$200,000
\$300,000 \$500,000 \$300 \$400 \$50 AMOT-120 VIDANA "COJO MORIN"
~~SECRET~~

RT

TRANSMITTAL OF TDCS INFORMATION REPORT				CLASSIFICATION SECRET	
<i>095</i>					
ORG. Marge Corporation	ROUTING				
UNIT WH/C/RR/R ¹	1	4		A-1 16325	
EXT. 5547	2	3			
DATE 22 July 1965	3	6			
CONFIRMATION COPIES				TDCS DS-315/02467-65	
WHC 11					
INFORMATION COPIES					
CI/OPS, CI/IC, FI, FI/D, FI/INT 6, IV, CA 2, CA/PEG, DO/H, WE 8, WH 15, SR 4					
DATE DISTRIBUTED 22 July 1965				PRECEDENCE	
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WHC/RE 3	WE/C/S	WH/FACT	WE/S/R	1	
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EVALUATION REQUESTED OF	STATE	ARMY	NAVY	AIR	
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CENTRAL INTELLIGENCE AGENCY

ROUTINE

Intelligence Information Cable

COUNTRY CUBA/CENTRAL AMERICA

TDCSDB-315/02467-65

DATE OF EARLY JULY 1965

DSTRL 22 JULY 1965

INFO.

SUBJECT

ALLEGED PLANS OF MANUEL ARTIME BUESA TO BLOW UP
 A SHIP INVOLVED IN TRADE WITH CUBA; PLANNED AIR
 ATTACK AGAINST CUBA FOR 25 OR 26 JULY 1965

PLACE &
DATE ACQ. UNITED STATES, MIAMI (22 JULY 1965)

REF

IN-16311

SOURCE

FIELD REPORT NO.

AND

APPRAISAL: SELF-EMPLOYED FOREIGN NATIONAL WHO RESIDED IN CUBA FOR MANY YEARS PRIOR TO AND AFTER CASTRO'S ADVENT. HE RETAINS CONTACTS WITH CUBAN FRIENDS, INCLUDING MEMBERS OF THE CUBAN INTELLIGENCE SERVICE. HIS RELIABILITY HAS NOT BEEN FULLY ESTABLISHED. SOURCE CLAIMS HE RECEIVED THIS INFORMATION FROM ALFREDO BORGES CAIGNET, AN MRR MEMBER.

1. ACCORDING TO ALFREDO BORGES CAIGNET, A MEMBER OF THE MOVIMIENTO DE RECUPERACION REVOLUCIONARIA (MRR, MOVEMENT FOR REVOLUTIONARY RECOVERY), MANUEL ARTIME BUESA, MRR LEADER, AND HIS WIFE VISITED NICARAGUA THE WEEK OF 11 JULY 1965 AND ^{HE} WAS PLANNING TO TRAVEL TO CENTRAL AMERICA AGAIN IN ORDER TO KEEP IN TOUCH WITH CENTRAL AMERICAN GOVERNMENTS. (HEADQUARTERS COMMENT: IN MID-JULY ARTIME INDICATED THAT HE PLANNED TO GO TO NICARAGUA IN ORDER TO VISIT THE FORMER MRR TRAINING CAMPS AND TO LOOK INTO THE CURRENT STATUS OF A SMALL INDIAN-EDUCATION TRAINING PROGRAM BEING CONDUCTED BY HIS GROUP OF ABOUT FIVE MEN REMAINING IN NICARAGUA. FROM NICARAGUA, ARTIME

PLANNED TO PROCEED TO COSTA RICA AND PANAMA TO LOOK INTO A NEW
This material contains information affecting the National Defense of the United States within the meaning of the Espionage Laws, Title 18, U.S.C. Secs. 793 and 794. The transmission or revelation of which in any manner to an unauthorized person is prohibited by law.

~~SECRET~~

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 I&NS REPCINCLANT CIA/NMCC FAA COAST GUARD BORDER PATROL

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IN -16311**SECRET**TDCS DR-
315/02467-65

PAGE 2

CIVIC ACTION PROGRAM OF INTEREST TO HIM IN THOSE COUNTRIES. HE WAS TO RETURN TO MIAMI, FLORIDA, IN EARLY AUGUST.)

2. BORGES CLAIMS THAT ONLY ONE MRR BASE REMAINS IN NICARAGUA, WHERE THERE IS A GROUP OF ABOUT 50 TRUSTED MEN. THE GROUP HAS ARMS AND EQUIPMENT CACHED THROUGHOUT CENTRAL AMERICA.

3. ACCORDING TO BORGES, ARTIME IS PREPARING AGGRESSIVE OPERATIONS AGAINST CUBA, ESPECIALLY THE BLOWING UP OF A SPANISH, BRITISH, OR SOVIET SHIP INVOLVED IN CUBAN TRADE. AT THE SAME TIME, AN AIR ATTACK IS BEING PLANNED AGAINST CUBA FOR 23 OR 26 JULY. THE MRR HAS ACCESS TO TWO AIRPLANES AT THE MIAMI AIRPORT, WHICH DO NOT BELONG TO THE MRR; THE AIRCRAFT HAVE COMMERCIAL COVER. (SOURCE COMMENT: THE PILOT OF ONE PLANE MAY BE FRANK FIORINI.) THE MRR GROUP IS GETTING FUNDS FROM A NON-AMERICAN SOURCE. (SOURCE COMMENT: THE SOURCE OF THE FUNDS MAY BE THE JESUITS, BECAUSE ARTIME HAS CLOSE CONTACTS WITH THE CATHOLIC CHURCH AND HE RECENTLY VISITED ROME.)

4. FIELD DISSEM: CINCLANT, CINCSO. (ALSO SENT MANAGUA.)

END OF MESSAGE

SECRET

NO FOREIGN DISSEM/CONTROLLED DISSEM

SECRET**23 July 1965****MEMORANDUM FOR THE RECORD****SUBJECT: Meeting with George Lodge, Harvard School
of Business**

1. On 15 July 1965, with Mr. Andy Croce of CA Staff, I met Mr. Lodge at the Key Bridge Marriott Hotel to discuss what he knew about the relations among AMBIDDY-1, Bishop McGrath of Panama, and a rural development program they are all working on in Panama. Mr. Lodge described Bishop McGrath as a real ball of fire, about 39 or 40 years old, born of U. S. parents in the Canal Zone but he has taken Panamanian citizenship. He graduated from Notre Dame University, did graduate work in Rome and has taught in several European and Latin American universities, such as in Chile. He is one of the three top Catholic prelates in Latin America and has extremely close ties with the Vatican, e.g., he is on the Ecumenical Council and on the birth control group. He has an official operating budget of \$2,000 per year which he augments from every conceivable source, particularly from the German bishops. He is politically and operationally minded, an American completely in his attitude and behavior, a typical Irish politician, Mr. Lodge submitted somewhat wryly. His parents are retired and live in Miami where he visits often. He recently met AMBIDDY-1 there on two occasions. On this same visit he also met the Papal Nuncio from Santo Domingo (he appears to receive most of the hot potato type assignments in his part of the world).

2. Veraguas Province of Panama is a selected testing ground for community development programs in rural areas. It is the poorest and most hopeless province of Panama, a small armed uprising took place there in 1958 and was put down. The Communists have their best organization in Panama in this province. The program there is based on the village of San Francisco, about 10 miles off the highway, and is an expansion of the efforts of the parish priest Father VASQUEZ

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-2-

Pinto who has been thereabout 10 years. He is a dynamic young man who has lead the villagers to rebuild their village and church to develop their land and organize a cooperative and small credit facilities. The village is only 1,200 people but they raised by themselves \$1,000 to buy materials and then built a training center capable of housing, feeding and training 60 men at a time in rural cooperatives and rural development. One of their ideas is to select bright looking leaders and potential leaders from rural areas, first in Panama and later, hopefully, from other nearby countries for visits of a few days in which they hope to brain-wash them of Communist type propaganda they may have heard and show them what can actually be done so they can take the good word with them to their own communities. This is in addition to the regular formal course of 4 months for selected young potential leaders from rural communities in Panama and all over Latin America.

3. Another leading light in the program is Father Steele who was thrown out of Dominica by Trujillo for organizing cooperatives and is a recognized authority on the subject. Father Steele uses Veraguas as a home base but travels to Chile, Colombia and other countries conducting short training courses on the ground. There are some Dutch priests on the staff whom Bishop McGrath personally recruited. Father Vasquez Pinto has sent about 10 to 15 local boys to the Antigonish School in Nova Scotia and they are back for duty. Mr. Lodge describes the group as a highly motivated and energetic group and Father Vasquez Pinto as a young and effective Panamanian priest who is a good operator. Mr. Lodge has two men from Harvard University there to study the program and assist in any way they can. The Peace Corps has 54 people in the Central Provinces of Panama, about 30 of them in Veraguas Province. They cooperate with the center, in fact the two Harvard men are interviewing each of the Peace Corps volunteers about their work. Mr. Lodge said they are coming up with some good information and ideas which otherwise would be lost as there is a good deal of experience among the Peace Corps kids but they don't know to recognize its significance or how to organize it into useable form.

4. The above group is trying to organize the center as a viable base with an effective staff to continue the training program even if the present leaders should move on. They hope it will become a pilot program for Latin America and that they will be able to seed other similar programs from

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-3-

this one. They hope to be able to spot and develop leaders in remote areas for future operations in those areas. Incidental to these major objectives, they are also helping to develop the economy of Veraguas, to develop production, transport to markets, credit facilities, and in general to help alleviate grievances which the Communists have exploited in the past.

5. Bishop McGrath has arranged with AMBIDDY-1 for about six of AMBIDDY-1's people to attend the January 1966 training course, with 3 or 4 to remain on the staff. Hopefully, one of them will develop into the executive director of the center. It was agreed that the first men will not be too closely associated in the public eye with AMBIDDY-1 in order to try to forestall initial bad publicity from opposition elements. AMBIDDY-1 and Bishop McGrath agreed, therefore, that Nestor IZQUIERDO (who is well known as a long-time adherent of AMBIDDY-1 from 1958-59 Comandos Rurales days in Oriente) would not be assigned to the Panama center at this time. AMBIDDY-1 told Bishop McGrath that he would try to obtain sufficient funds to support the men assigned to the center. He has not yet brought up this matter with his case officer, and as the amounts will be very small, he may try to squeeze it out of his newly authorized budget. However, he may ask the Agency for additional help to sponsor these men while they are working their way into the program. It is intended that the Cubans would continue cooperation in the program, eventually working them into the field wherever they are needed and acceptable.

6. Mr. Lodge will meet Bishop McGrath next in Panama on 29 or 30 July. As a coincidence AMBIDDY-1 will probably be in or near Panama around the same time, as he left 14 July for Nicaragua, Costa Rica and Panama for meetings with their presidents and several days visit in each country.


Carl E. Jenkins
W3/C/CA/EA

File:
AMCIVIC ✓

CC: WH/PO/B
C/WH/2

CA STAFF - Close

SECRET

SECRET

3 August 1965

MEMORANDUM FOR: C/WH/3

ATTENTION : Jonathan Hanke, C/WH/3-Bolivia

SUBJECT : Eleodoro VENTOCILA Canara

1. On 29 July 1965 I discussed Subject with Major Lupton of Detachment "A" of ACBI Headquarters. In response to my direct questions Major Lupton stated the following:

a. ACBI is not using subject but they have been considering such use.

b. Subject is not working in Bolivia or anywhere else for ACBI or any other Defense Department component that Major Lupton is aware of.

c. ACBI was unaware that subject had been designating himself as a sort of public relations representative and press man in behalf of General BARRIENTOS.

2. I stated to Major Lupton that we held a poor opinion of subject, regarded him as an opportunist, and a possible candidate for "burn" action. Furthermore we were concerned about his alleged press activities in behalf of BARRIENTOS and felt if he were in anyway connected with a United States Intelligence agency and this became known, it could have an adverse affect on the extremely delicate political situation which now exists in that country and very well place the U.S. Government in an embarrassing position with respect to the Bolivian Government. Based on our views regarding subject I told Major Lupton that we would not coordinate any operational proposal ACBI might put forward aimed at using subject's services.

3. Major Lupton took the above in good grace and asked if it were possible for us to provide him with any information concerning subject's background and other details which would give ACBI a clearer picture of his activities. I told Major Lupton that I would look into this and let him know whether we

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- 2 -

could comply.

4. In light of Major Lupton's request in paragraph 3 above, is there any material of such nature that is suitable for passage to his office?

Benjamin A.G. Fuller
WH/POA

SECRET

SECRET

3 August 1965

MEMORANDUM FOR: Deputy Chief, WHD/Cuba
VIA : Chief, WH/Budget & Fiscal *foc*
SUBJECT : Payment to AMBIDDY-1 for Month
of August 1965

It is requested that you approve a payment of \$12,000 for the month of August 1965 to be given to AMBIDDY-1. These funds will be used by him for propaganda and political activity of the MRR, plus payment of support to dependents and survivors. In order to expedite getting the funds to AMBIDDY-1, the AMWORLD funding channel will be used until another mechanism has been established which can be more closely controlled by Headquarters.

Carl E. Jenkins
Carl E. Jenkins
WH/C/CA/EA

APPROVED:

J. C. C. H.
DCWHD/C

cc: WH/B&F

SECRET

SECRET

WH/C 65-332
6 August 1965

MEMORANDUM FOR: Chief, Monetary Division
VIA: Chief, WH/Budget & Fiscal
SUBJECT: Transfer of Funds

Please cable instructions to your representative
in Bern to contact the bank in Zurich to cable transfer
the amount of \$12,000 to the First National City Bank,
New York, for credit to the account of Gregory Cardinal
or Charles Ramsey.

Carl E. Jenkins
WH/C/CA/EA

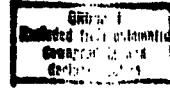
cc: C/WH/DAF

DOD/WH/C/CA/EA/CEJenkins:bh (6 Aug 65)

Distribution:

Orig & 1 - Addressee
1 - WH/C/Esec
1 - WH/C/CA/EA

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14 00000

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WH/C 68-320
6 August 1968

MEMORANDUM FOR: Chief, Monetary Division
VIA: Chief, WH/Budget & Fiscal
SUBJECT: Deposit to INWOTEN Account

Per attached voucher, it is requested that you
deposit the amount of \$12,000 to the INWOTEN account of
ARWIDAY-11

Carl E. Jenkins
WH/C/CA/EA

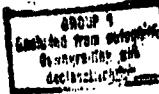
Attachment:
Voucher

cc: C/WH/B&F

BOP/WH/C/CA/EA/CoJenkins:bh (6 Aug 68)

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1 - WH/C/CA/EA



SECRET

13 AUG 1965

DISPATCH

CLASSIFICATION

PROCESSING

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TO Chief, WH	X	ACTION BANNED FOR RELEASE
INFO	X	NO COPIES REQUIRED
FROM Chief of Station, JMWAVE	X	COPY QUALIFIED HEADQUARTERS DATA CAN LOGUE BANNED
SUBJECT TYPIC/Operational/AMWORLD/AMLILACs C Report on AMBIDDY-1	X	ABSTRACT ENCLOSURE

ACTION REQUIRED - REFERENCES

ACTION REQUIRED - FYI

AUG 10 1965

REFERENCE - None

DOC. MICH. 500

1. In late July 1965 members of the AMLILAC Group reported the following information as a result of their contacts with various members of AMYUM located in the JMWAVE area.

A. AMBIDDY-1 has a warehouse in the WAVE area in which he is storing equipment brought back from his Central American base. The equipment includes UDT gear, boat motors, rafts, uniforms, and bulldozers. There are no weapons in the building.

B. AMBIDDY-1 is planning to put the BABUN PC into proper condition for use as a Mother Vessel. The vessel is now in Tampa. AMBIDDY-1 spent over \$10,000. on this ship last year.

C. AMLILAC-8, a former AMLILAC who was fired a couple of years ago and who has been with AMBIDDY-1's group since then, was in the local area recently and told AMLILAC-6 that A-8 was the caretaker at one of the Bases in Central America along with 9 other men. He stated that they had all the weapons from the last effort and were preparing the camp for re-activation. AMBIDDY-1 told A-8 that \$500,000. was available for the reactivation.

2. The penchant of PBRUMEN exiles for exaggeration, embellishments, and contortion of information (as can be seen from para 1 B, and C) continues to plague the remnants of AMWORLD and as a consequence gives rise to jealous fears on the part of the AMLILAC Group particularly as to the real state of AMWORLD. Such reports as those above and others when

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CROSS REFERENCE TO

157-124-37-3
DATE TYPED DATE DISPATCHED

4 Aug 1965 AUG 10 1965

DISPATCH SYMBOL AND NUMBER

UFGA-22667

HEADQUARTERS FILE NUMBER

201-1674137
19-124-27/3-4CLASSIFICATION
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CONTINUATION OF
DISPATCH

CLASSIFICATION

REF ID: A62842

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UFGA-22667

collected by the AMLILACs - tend to affect the latters' morale and confidence in KUBARK because the AMLILACs believe that anything AMBIDDY-1 does is done with KUBARK support and blessing. As Headquarters is aware the great fear of the AMLILACs is that AMBIDDY-1 will get all the action and all the glory. However, in view of the current KUBARK/AMBIDDY-1 relationship the AMLILACs have little to fear and a renewed morale crisis is not expected to arise. On the other hand, if AMBIDDY-1 were to re-activate part of his action force and conduct a raid utilizing non-KUBARK support, that would be another matter. It would then be very difficult to convince the AMLILACs that KUBARK was not involved and their morale and confidence would be badly shaken. This situation is brought to your attention simply to show what effect such AMBIDDY-1 activities would have on this Station's painstaking efforts to retain a superior and experienced commando capability under already difficult psychological conditions.



Philip G. ELMARD

DESENSITIZED

CLASSIFICATION

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USE PREVIOUS EDITION

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CONTINUED

PAGE NO.
2 of 2

DISPATCHCLASSIFICATION
SECRET**PROCESSING**

TO: Chief, WH	FROM: Chief of Station, JMWAVE	SUBJECT: Operational/TYPIC/ANWORLD/AMOT Possible Arms Purchases from ANWORLD by Bay of Pigs Veterans ACTION REQUIRED - ADVISE ESIRE-1 ASSOCIATION.															
		<table border="1"> <tr> <td><input checked="" type="checkbox"/></td> <td>ARMED FOR RELEASER</td> <td>ACTION PLANNED</td> </tr> <tr> <td><input type="checkbox"/></td> <td>NO RELEASE REQUIRED</td> <td></td> </tr> <tr> <td><input type="checkbox"/></td> <td>ONLY QUALIFIED HEADQUARTERS DATA CAN ALONE RELEASE</td> <td></td> </tr> <tr> <td colspan="2"></td> <td>ARMED</td> </tr> <tr> <td colspan="2"></td> <td>ESIRE-1</td> </tr> </table>	<input checked="" type="checkbox"/>	ARMED FOR RELEASER	ACTION PLANNED	<input type="checkbox"/>	NO RELEASE REQUIRED		<input type="checkbox"/>	ONLY QUALIFIED HEADQUARTERS DATA CAN ALONE RELEASE				ARMED			ESIRE-1
<input checked="" type="checkbox"/>	ARMED FOR RELEASER	ACTION PLANNED															
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		ARMED															
		ESIRE-1															

Action Required: For Your Information.**References:** A. UFGA-31947, 11 June 1965.
B. UFGA-32527, 30 July 1965.

1. On 21 July 1965, AMOT-237 furnished the following in AMOT Report ID-1521, which information he had received from ESIRE-1:

a. Juan Jose PERUYERO Rodriguez (201-294249), President of the Bay of Pigs Veterans Association, Alberto MARTINEZ Echenique (201-290790) and Ruben GONZALEZ de la Heria, are making overtures to buy arms from AMBIDDOY-1. The Association's Directorate, and the membership-at-large, have not yet been told officially of this contemplated deal.

b. ESIRE-1 felt this information was partially confirmed by the following comment made to him by Luis Humberto VIDANA Casch (201-274848) in a conversation: "What do you think that AMBIDDOY-1 has been reduced to doing? He now wants to sell the arms he has left over from all that business he was mixed up in ... and to think that a person like him is receiving aid."

c. ESIRE-1 thinks it possible that the BABUN brothers may be the persons financing PERUYERO in the purchase of the ANWORLD arms. ESIRE-1 commented that PERUYERO would not dare tell him about buying any ANWORLD arms as he knows that ESIRE-1 would be opposed to such negotiations on the grounds that this would be immoral.

2. Previous reporting on ANWORLD/AMBIDDOY-1 activities has indicated, as in Reference A, that AMBIDDOY-1 was interested in buying for arms and ammunition.

Distribution:
S - C/WH

201-267437

DATE TYPED	DATE DISPATCHED
9 August 65	AM 10 00
DISPATCH SYMBOL AND NUMBER	
UFGA-32709	
HEADQUARTERS FILE NUMBER	
49-132-5-96	

CROSS REFERENCES

UFGA-32709
Received from automatic
dissemination and
deciphered

CLASSIFICATION
SECRET

CONTINUATION OF
DISPATCHCLASSIFICATION
S E C R E TDRAFTING & TRANSMISSION NUMBER
UFGA-22709

3. ESIRE-1's comment, about a possibility that the BABUN brothers may be the persons interested in purchasing the AMWORLD arms, ties in with the AMCRAG-1 information reported in Reference B that Teofilo BABUN, Luis Humberto VIDANA Guasch, and EMBARB-1 were acting as go-betweens for General JUBERT's Junta in the Dominican Republic and the recruiting of Cuban exiles in Miami.

4. On 30 July 1965 AMOT-14 reported in DD-1532 that AMLINT-1 had been in a local restaurant where he overheard a conversation between Alfredo BORGES Caignet (201-347593), now Immigration Secretary for AMWORLD, and Jose Luis SOSA Sancio (201-746587). BORGES told SOSA: "Be ready to go back to the place where you were before, because you will have to leave for there in the first four or five days of August. AMWORLD will function in the same manner as previously, but with more independence." BORGES also commented to SOSA that AMBIDDY-1 is the current owner of the Vizcaya Restaurant at 142 S.W. 37th Avenue."

Philip G. ELMARD

INDEX YES NO

CLASSIFIED TO FILE NO.

2-BEF TO FILE NO.

FILE BLDG RET. TO BRANCH

DESTROY SIR

CLASSIFIED MESSAGE

TOTAL COPIES . 2

SECRET

REPRODUCTION PROHIBITED

E A - 1 H O

2 F 1 D

3 C A X

4

FROM SAN JOSE

ACTION

AMW 8

RFD COPY

ADVANCE COPY

ISSUED SLOTTED INDEXED

UNIT

TIME

UV

INFO

FILE, VR, UNCL, C1, C10RS, FI

SECRET 122229Z

DIR INFO WAVE CIE SJCS 7870

1. MANUEL ARTIME BUESA ARRIVED IN COSTA RICA 10 AUGUST ON TACA
773 FROM MANAGUA.

2. PLEASE ADVISE STATION IF HEADQUARTERS STILL DESIRES TRAVEL OF
SUBJECT.

SECRET

CEN 7870 MANUEL ARTIME BUESA COSTA RICA 10 TACA 773 MANAGUA

SECRET

WH/2/CR-NIC
will answer
made Tel. con-
CAG

SENDER WILL CHECK CLASSIFICATION TOP AND BOTTOM		
UNCLASSIFIED	CONFIDENTIAL	SECRET
CENTRAL INTELLIGENCE AGENCY OFFICIAL ROUTING SLIP		
TO	NAME AND ADDRESS	DATE
1	WTC/CIA - Attn: Don Rethfuss <i>(initials)</i>	
2		
3		
4		
5	<i>A / 1 20 /</i>	
6	<i>WTC/3/Bolivia</i>	
ACTION	DIRECT REPLY	PREPARE REPLY
APPROVAL	DISPATCH	RECOMMENDATION
COMMENT	FILE	RETURN
CONCURRENCE	INFORMATION	SIGNATURE

Remarks:

See HOPW-4307 which *is attached*.
Is VENTOCILLA being sent to you? How much, if any, of the VENTOCILLA contact with AMBIDODY-1 do you think we might give to ACSI?

Nothing now - Wait till guy goes up again + 2 we need more ammo to burn him and may use the 2/ contact by then - 5 Aug 67

FOLD HERE TO RETURN TO SENDER

FROM: NAME, ADDRESS AND PHONE NO.	DATE
WTC/3/Bolivia - J. Hause	<i>R-1034 13 Aug</i>
UNCLASSIFIED	CONFIDENTIAL
SECRET	

Form No. 237 Use previous edition U.S. GOVERNMENT PRINTING OFFICE: 1961 O-207265 (40)

CLASS OF INFORMATION: NO FILM

CLASS OF SECURITY: NO FILM
CLASS OF EXECUTION: NO FILM

DATE: 1968

THEFT: VENDETTA COMITE (201-53740)

P-0-I-C-T-L-T-T

ACTION NUMBER:

- REMARKS: A. REMARK: 25 June 1968 (not sent to HQ)
 B. REMARK: 3 June 1968 (not sent HQ and to HQ)

1. The long-delayed meeting with GRIMK took place on 29 July 1968 to discuss whether GRIMK has a strategic operational interest in blocking VENDETTA COMITE. Headquarters was informed that GRIMK is not using Subject operationally but that they had been considering so. GRIMK was also aware that Subject has been representing himself as a private solutions representative for General Leon PARMENTER, Commandant of the British Army. GRIMK was informed that KIRK had a poor opinion of Subject, regarding him as an opportunist whose actions stabilize, especially on behalf of the British Army and specifically PARMENTER, combined with any covert relationship with GRIMK would, if discovered and exploited by leftists in Britain, have an adverse effect on the currently faltering political situation in Britain. As a result, GRIMK was informed that KIRK would not at this time be in favor of coordinating any operational use of Subject which GRIMK might propose.

2. For 1968, GRIMK said that the initial notification to KIRK ~~that subject may be used by an GRIMK detachment for 1968~~ was in error.

3. For 1968, GRIMK evidently has some sort of contact with Subject in the JAPAN area since his file had to be requested from their general representation before the 29 July meeting could be held. Also, the information in reference B obtained from Subject was most probably furnished by him for transmission to GRIMK. (The information about the communist situation in Britain is completely erroneous.)

- 1 - No File, where found?
- 2 - Subject, where (Country)
- 3 - None, where (Country)

201-267437

CROSS REFERENCE TO	DRAFT SYMBOL AND NUMBER	DATE
	201-4307	23 August 1968
	CLASSIFICATION	REF FILE NUMBER
	SECRET	201-33740
ORIGINATING		
OFFICE	OFFICER	TYPE
6/12/1968-140000	Parmenter, Leon	100
COORDINATING		
OFFICE SYMBOL	DATE	OFFICER'S NAME
6/12/1968		

CONTINUATION OF
DISPATCH

CLASSIFICATION

SECRET

REF ID: A6240

b. For La Rue: Has the Station checked on VENOCILLA with the
Soviet contacts as requested in NY 7517? Reporting on the results
of such checks. Headquarters would have no objection if the Station
were to provide liaison with sufficient information extracted from
the teams on subjects interrelated with references A to ~~SECRET~~ REFERENCES
from having any further contact with subjects. Please advise Headquarters
of the action you take in this matter.

ROBERT A. KIRK

DEPT OF STATE DOCUMENT (AMEMBASSY TEGUCIGALPA)
DATE: 17 AUGUST 1965
SUBJECT: FOREIGN PUBLICATION: PROCUREMENT
FOR INR/CS/FP
UNCLASSIFIED
NO FILE # GIVEN

DISPATCH		SECRET	POLITICAL										
TO	Chief, WH	FROM	X BRIEFED FOR RELEASE NO RELEASE REQUESTED ONLY QUALIFIED COMBINED USE CAN ALSO RELEASE										
INFO		ACTION	REFRESH DISCLOSE										
FROM	Chief of Station, JEWAVE	INFO											
ASPECT	Operational/TYPIC/AMOT/AMWORLD Charges Against KUBARK in the Death of Roberto TRUJILLO Rodriguez.	CLASSIFICATION											
Action Required: For Your Information.													
<p>1. On 11 August 1965, ANTAUP-2, accompanied by Dr. Luis CASAS Martinez, former provincial commissioner of Camaguey, held a conversation with ANTAUP-1 in which he learned the information given below. This information was reported in AMOT Report DD-1562, 13 August 1965.</p> <p>2. According to ANTAUP-1, Alicia TUDELA Sanchez is planning to bring up again the case of the the death of her husband, Roberto TRUJILLO Rodriguez, who died in the AMWORLD training camps which were under the direction of AMBIDDY-1. According to ANTAUP-1, TUDELA plans to blame KUBARK for the death of her husband. TUDELA claims details of her husband's death which she has in her possession will substantiate this accusation.</p> <p>3. ANTAUP-1 also says that TUDELA is preparing to make an attempt on the life of AMBIDDY-1. She is receiving information from persons close to AMBIDDY-1 on all AMBIDDY-1's movements and is looking for a silencer to cut on the gun she will use in this attack. ANTAUP-1 reports that he has attempted to calm TUDELA down and is trying to persuade her to give up the idea of attacking AMBIDDY-1.</p> <p>4. ANTAUP-2 commented that ANTAUP-1 boasts that he is the one who obtained the information and proof against AMWORLD and KUBARK in the death of TRUJILLO and that he has this proof in his possession. ANTAUP-2 believes that it was ANTAUP-1 who steered TUDELA's accusations from AMWORLD towards KUBARK.</p>													
esay file 301-743522		<p style="text-align: right;">Philip G. ELMARD</p> <p style="text-align: right;"><i>201-267437</i></p>											
Distribution: 3 - WH/C		<table border="1"> <tr> <td colspan="2">CROSS REFERENCE TO</td> </tr> <tr> <td colspan="2">GROUP 4 1. COMINT 2. COMINT 3. COMINT 4. COMINT</td> </tr> <tr> <td colspan="2">CLASSIFICATION</td> </tr> <tr> <td colspan="2">UFGA-22868</td> </tr> <tr> <td colspan="2">HEADQUARTERS FILE NUMBER</td> </tr> </table>		CROSS REFERENCE TO		GROUP 4 1. COMINT 2. COMINT 3. COMINT 4. COMINT		CLASSIFICATION		UFGA-22868		HEADQUARTERS FILE NUMBER	
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UFGA-22868													
HEADQUARTERS FILE NUMBER													
		<p style="text-align: right;">DATE TYPED 19 AUGUST 65</p> <p style="text-align: right;">DATE DISPATCHED AUG 25 1965</p> <p style="text-align: right;">DISPATCH SYMBOL AND NUMBER</p> <p style="text-align: right;">HEADQUARTERS FILE NUMBER</p>											
		<p style="text-align: right;">COPY</p>											
		<p style="text-align: center;">CLASSIFICATION</p>											
		<p style="text-align: center;">SECRET</p>											

UNCLASSIFIED INTERNAL
USE ONLY CONFIDENTIAL SECRET

ROUTING AND RECORD SHEET

SUBJECT: ~~Reference~~

FROM:

KID/VIP

GA 66

DIVISION

UPCW-5472

DATE
26 Aug 65

TO: (IC, car designation, room number, and building)

DATE

OFFICER'S
INITIALS

COMMENTS (Number each comment to show from whom it came. Draw a line across column after each comment.)

1.

KID/SAC

GA 50

RECEIVED FORWARD

M

201-267437

Subject: Manuel ARTIDE

2.

RJD/JMES

-1

3.

4.

5.

KID/VIP

GA 66

fro

6.

7.

8.

9.

10.

11.

12.

13.

14.

15.

6 to 1: Herewith document classified to 201-267457 subject of which is Nikolai BARABULYA (Barabulya), Attaché at Soviet Embassy in Paris. Please review for reclassification to subject's 201-267437.

201-267437

FORM
5-68610 USE PREVIOUS
EDITION SECRET CONFIDENTIAL INTERNAL
USE ONLY UNCLASSIFIED

DISPATCH

SECRET

Chief of Station, JEWAVE

11

SAC

FROM

Chief, BH Division

SAC

SUBJECT

TYPIC/Operational/AMWORLD/AMYLILACB
Report on AMBIDDY-1

ACTION REQUIRED REFERENCES

ACTION: At WAVE's discretion, pass para 5 to AMYLILACB.

REF: UFGA 22667, 10 August 1968

1. As you know, the HQS AMWORLD case officer recently visited the WAVE area and went to the warehouse with AMJAVA-4 and his wife, described as a possible purchaser of some of the equipment. The warehouse is full of moldy and rusting camp and support equipment, most of it of no use in mounting raiding operations. There are outboard motors, small generators, engine spare parts, air drop equipment, bedding, etc. in addition to a large pen of baby chicks purchased by AMBIDDY-1 in his latest venture of training for rural civic development programs in Central America. There was one custodian working around the warehouse and taking care of the chickens. AMBIDDY-1 has also purchased an off-set printing press, for \$10,000 according to him, which is set up a few blocks away. He plans to use it to print the AMYUM magazine, plus hopefully making some profit for AMYUM from it on commercial printing jobs.

2. AMJAVA-4 and AMBIDDY-1 both laughed heartily at the idea that the PC of BABUN could be converted to a mothership. This was considered and rejected several months ago when AMWORLD was still authorized to operate. They turned down the offer of the ship as a gift then on grounds that it would be uneconomical even if given to them free of charge.

3. AMBIDDY-1 said he did have a total of ten men in Nicaragua; five at Monkey Point guarding a cache of small arms and teaching the local Indians to read, write and grow rice; three men at Bluefields guarding a cache of small arms and working to develop a small boat yard for repair and maintenance of shrimp boats from which AMBIDDY-1 hopes to build a fishing cooperative; and two men at Managua with a smaller cache of small arms, one of whom is the AMYUM delegate to the Nicaraguan Government. AMBIDDY-1 kept about 150 small arms, with the knowledge and consent of HQS, in return for his giving back or accounting for the heavier and crew-served weapons and most of the small arms from AMWORLD. He claims that all three caches in Nicaragua are in concrete underground locations which are rigged

- continued -

CROSS REFERENCE TO	DISPATCH SYMBOL AND NUMBER UFGW 5472	DATE 201-267437 23 August 1968
	CLASSIFICATION S E C R E T	HQS FILE NUMBER 201-267437 201-267457
ORIGINATING		
OFFICE WH/C/CA/EA	OFFICER CE Jenkins bh	EXT. 4580
COORDINATING		
OFFICE SYMBOL WH/C/MO	DATE	OFFICER'S NAME B. Z. J. C.
DC/WH/C/CA		
ABSTRACT	INDEX	
RELEASING		
OFFICE SYMBOL C/WH	DATE	OFFICER'S SIGNATURE J. F. J. H. 17

CONTINUATION OF
DISPATCH

S E C R E T

UFGW 5472

for immediate destruction by the custodians should an attempt be made to seize them. AMBIDDY-1 said he had neither plans nor money to reactivate any bases, except as they might be used for local civic action type programs.

4. AMBIDDY-1 was advised by his case officer in strongest terms to sell or throw away everything from the Central American camps, to concentrate on trying to project a new image of himself as a constructive and progressive leader involved in community development and civic action type programs in Latin America by invitation of the local governments, and to stop talking or acting as a paramilitary operator. He was advised in even stronger terms to get out of the WAVE area as soon as possible to remove himself as a target of constant personal attacks against which he could not defend himself. He agreed in principle, subject to waiting three months for his wife to deliver their first child.

5. WAVE may assure the ANLILAC leader that, to the best knowledge of KUBARK, the AMWORLD program is dead, that AMBIDDY-1 has no real intention and only limited capability of mounting raids, and that anything he might do along the lines of paramilitary action would certainly be without QDYOKE support or blessing given the present political climate in HQS area.

6. FYI, HQS continues to try to influence AMBIDDY-1 to stay out of paramilitary matters entirely. To this end, we shall try to keep him top operational personnel otherwise occupied in KUBARK or other employment, to keep him as fully and usefully occupied as possible away from the WAVE and PBRUMEN area, and to convince him to sell or lease his two Swift boats to commercial enterprises or to another KUBARK program outside the WAVE area.

7. HQS will welcome continued reporting on AMBIDDY-1's activities from WAVE sources, which serves a useful purpose as a check and monitor for the case officer to compare and contrast with AMBIDDY-1's reports to him. In addition, we are recruiting the former AMWORLD Deputy for Support and Administration, who also serves as legal and political advisor to AMBIDDY-1. He is now residing in the HQS area, is back on the staff of a large university and has agreed to assist in keeping AMBIDDY-1 on the straight and narrow path following the lines of paragraphs 4 and 6 above.

ERNEST A. LUSBY

Distribution:
3 - COS, JMWAVE

WAVE 1 1026H AV

201-267427

SECRET

26 August 1965

MEMORANDUM FOR THE RECORD

FROM : AMBIDDY/1 - 23 August 1965

SUBJECT: AMBIDDY/1 discussions with General Anastasio SOMOZA, President SCHICK and other Nicaraguan officials, 24 Jul-20 Aug 1965.

1. A/1 first met with General SOMOZA 27/28 July.
The following points were made in these discussions:

a. General SOMOZA said the State Department is making an investigation of how much money he is using to control the government and win the next presidential elections. SOMOZA told A/1 that he intended to run and fully expected to win the election, but would not need to buy any votes. He asked A/1 to please tell "Washington" that State is very clumsy and if they really want to know anything they should call on the Agency, or the FBI, either of which is much more effective. SOMOZA said everybody in Managua knows about State's efforts to block his candidacy and are laughing at them.

b. SOMOZA said he was meeting Daniel ODUBER of Costa Rica at the border shortly, and they would make a "non-aggression pact" agreeing that neither will make trouble for the other's campaign for election to Presidency. ODUBER had asked for the interview. SOMOZA told A/1 that he thought ODUBER had made a "live and let live" agreement with the Communists, and that at their meeting, he would demand from ODUBER a public denunciation of the Communists to be followed by effective control measures against them.

c. The MRR will be allowed to build and operate a small boatyard for construction, maintenance and repair of shrimp boats at Bluefields without SOMOZA or the Nicaraguan Government to be cut into the proceeds. This is part of A/1's community development program, aimed at developing a large fishing cooperative based on Bluefields which will be self-sustaining and profitable for the members and the local economy. SOMOZA also approved continuation of the basic education program being conducted by A/1's five man contingent at the old Monkey Point base and eventual development of that area as a rice-growing cooperative for the benefit of the local Indians.

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-2-

d. General SOMOZA, at A/1's strong recommendation, agreed to start pushing Civic Action programs through the National Guard in an effort to enhance his personal image preparatory to the next Presidential campaign. SOMOZA asked A/1 to assist and advise in this effort.

2. The next meeting with General SOMOZA by A/1 was on 4 August, with following points:

a. SOMOZA said that the latest program of Fidel CASTRO is targeted against Nicaragua, Costa Rica and Panama. Part of the plan includes assassination of the presidents of the three countries as part of a terror campaign to soften them up. He said that in Panama, particularly, President Marcos ROBLES is a prime target but the Communists are exploiting a recent turn against him by the National Guard because he has cut down on their costs, pensions, and other privileges. If ROBLES is eliminated from power, the Communists feel the chief of the National Guard will take over and they think they can handle him more easily than they can ROBLES.

b. Source for above, according to SOMOZA, was a close associate of Marcial AGUILUZ, whom he described as the top Communist in Costa Rica and one who had recruited (fnu) FONSECA, a Nicaraguan now living in Mexico. FONSECA is a bastard son of one of SOMOZA's foremen, a Communist, and an agent working directly under order of Fidel CASTRO.

c. A/1 and SOMOZA talked again about a Civic Action program in Nicaragua and SOMOZA said again that he would support it. He will assign Father LUGO, a Cuban priest who served with the Bay of Pigs forces, to a position similar to a chaplain in the National Guard in order to assist in the program. SOMOZA will support MRR community development programs with whatever authorizations are required and with whatever official or personal prestige he may offer.

3. A/1 next returned to Managua on 17 August and met with Major PEREZ of the Nicaraguan Customs Service, a personal aide to the General. PEREZ said SOMOZA was very angry (not at A/1 or his people) and difficult to see. He said 3 Colonels were under arrest for 3 days each for disobeying orders. PEREZ was afraid to see SOMOZA for fear he might be arrested also. However, A/1 called SOMOZA by phone and was invited to visit him next day at Tipitapa. A/1 met him the next day (18 Aug) and had lunch with SOMOZA and (fnu) BENITEZ, a Puerto Rican, former politician there who is now in business but remains in contact with and working for the U. S. Government. After lunch, BENITEZ left

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-3-

and A/1 went with SOMOZA in his car. While they were riding, SOMOZA told A/1 why he was so angry.

d. A message had recently come to General SOMOZA from the Nicaraguan Ambassador in Panama saying that he had it from authoritative sources that the U. S. not only would not support his candidacy for the Presidency, but would strongly oppose it. In addition, SOMOZA had word that Sydney ROSS, Director of El Tiempo (Spanish language newspaper in New York), after a recent interview with Asst. Secretary Jack Vaughn of the State Department, had an off-the-record talk with VAUGHN after the interview. VAUGHN had said that, so far as he was concerned, SOMOZA was no different from the other Latin American dictators such as TRUJILLO, PERON, DUVALIER, STROESSNER, Col. LOPEZ, or Gen. CASTELL Branco, and that he could certainly not support installing another military dictator in Nicaragua. The two reports were confirmatory in SOMOZA's mind and made him feel extremely bad as he said he has always talked favorably about the U.S. and tried to cooperate with them at every chance.

e. SOMOZA checked with the U.S. Ambassador in Nicaragua (whether in person or by sending Pres. SCHICK was not made clear) about the matter, and received a typical State Department reply that the U.S. was neutral in Nicaraguan internal affairs and would take no action about the elections. The Ambassador said he could not believe VAUGHN could have made such statements because of the U.S. position of neutrality in Nicaraguan affairs.

f. SOMOZA also said he had sent a message to Washington suggesting that if some of the other countries heard about themselves being lumped with TRUJILLO, PERON, etc. they might well call back their troops from Santo Domingo and tell Washington to go to hell.

g. He said he was going ahead with his plans regardless of what the U.S. does about it and reminded A/1 of Mr. J. C. KING's talk with him (SOMOZA) at the airport in Washington to let him know after the mistrial attack on the SIERRA ARANZAZU that Washington would understand if SOMOZA decided to kick A/1 and his camp out of Nicaragua. He used this as an example of an attempt from Washington to dictate to him which he had ignored, telling A/1 that he was a friend, would continue to be, and would continue to make his own decisions regardless of what Washington might want from him. A/1 made another strong suggestion that SOMOZA take off his uniform and start making public his civic action ideas. In addition, he again advised him to go personally to Washington

SECRET

-4-

to talk directly with VAUGHN and other U. S. officials to get the picture cleared up. A/l said, "Let's try to get along with the Norteamericans, it's better to have them with us than against us." SOMOZA agreed, but said he had sent his brother, Luis SOMOZA, ahead.

h. The following day, 19 Aug, General SOMOZA called A/l and said Luis had called him, reporting he had talked to Vaughn in Miami. Said Vaughn had denied talking to Sydney ROSS or of passing such information to the Ambassador in Panama. Luis said he dropped the subject at that point and talked about other things. (A/l believes Luis could be fabricating as usual or could have botched up the interview if it did take place.) A/l again strongly recommended that General SOMOZA make his own visit to Washington and talk to Vaughn and others in person.

4. On 19 August, A/l interviewed President SCHICK for the Tridente (MRR news magazine). He had previously interviewed General SOMOZA. The interview reports will be relatively innocuous coverage of some of the major events of the day. The agenda of points for each interview is attached. A/l intends to dedicate an issue of Tridente to each country which has helped the MRR, e.g. Nicaragua, Costa Rica, Panama, Venezuela, and Colombia.


Carl E. Jenkins
WH/C/CA/EA

Atts.

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INTERVIEW WITH HIS EXCELENCY THE CHIEF
DIRECTOR OF THE NATIONAL GUARD OF THE
ANASTACIO SOMOZA DERAYLE DIVISION, FOR
THE TRIDENTE MAGAZINE

1. GENERAL, WHAT CAN YOU TELL US ABOUT THE TECHNICAL CAPACITY OF THE NICARAGUAN NATIONAL GUARD?
2. DO YOU BELIEVE THAT THE NATIONAL GUARD IS DULY PREPARED TO FIGHT ANY COMMUNIST SUBVERSIVE PLANS IN YOUR COUNTRY.
3. WE WOULD LIKE TO KNOW YOUR OPINION ABOUT THE COMMUNIST DANGER IN CENTRAL AMERICA.
4. WE WOULD LIKE TO KNOW YOUR OPINION ABOUT THE ROLE THAT THE ARMY SHOULD PLAY IN THE MODERN DEMOCRATIC STATES IN LATINAMERICA.
5. ARE YOU SATISFIEDWITH THE ROLE THAT YOUR TROOPS HAVE PLAYED AS INTEGRANT PART OF THE INTERAMERICAN PEACE FORCE IN THE DOMINICAN REPUBLIC.
6. GENERAL, WE WOULD LIKE FROM YOU A FEW WORDS FOR THE CUBANS VICTIMS OF THE COMMUNIST TYRANY.

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INTERVIEW WITH THE EXCELENCY, THE PRESIDENT OF
NICARAGUA, DR. RENE SCHICK FOR THE TRIDENTE
MAGAZINE.

1. MR. PRESIDENT, YOU WHO HAVE BEEN AN EXAMPLE AS A PUBLIC OFFICIAL, EVEN FOR YOUR PARTY'S OPPOSITION, YOU SHOULD HAVE IN YOUR GOVERNMENT WORK SOMETHING ELSE WHICH YOU CONSIDER THE MOST IMPORTANT ONE AND WHICH IS THE MOST LOVED ONE. WHICH IS YOUR MOST IMPORTANT WORK AND YOUR MOST LOVED ONE?
2. DO YOU HAVE FAITH IN THE CENTROAMERICAN COMMON MARKET? WHAT FUTURE DO YOU SEE IN IT?
3. WHAT IS YOUR OPINION OF THE DOMINICAN PROBLEM?
4. WHAT IS YOUR OPINION OF THE VIET NAM PROBLEM?
5. DO YOU BELIEVE THAT THE DANGER OF COMMUNISM IN LATIN AMERICA IS DANGEROUS ENOUGH, AS FOR THE GOVERNMENTS TO HAVE IT AMONG THEIR PRINCIPAL PREOCCUPATIONS?
6. WHAT IS YOUR OPINION ON THE WAYS OF FIGHTING COMMUNISM?
7. TO WHAT DO YOU ATTRIBUTE THE PREPONDERANCE SOCIO-ECONOMIC PROSPERITY OF NICARAGUA? IN THESE LAST YEARS?
8. WE WOULD LIKE A MESSAGE FROM YOU FOR THE CUBAN PEOPLE.

SECRET

SECRET

27 August 1965

MEMORANDUM FOR THE RECORD

FROM : AMBIDY/1

SUBJECT: Vidal ESPINAL Herrero, possible CI suspect

1. Subject is a Spaniard who is believed to be working now at the Bon Carta Vieja factory in Panama City. He previously lived in Managua and worked for Colonel Miguel RUIZ Herrera (a Costa Rican sometimes employed by General Anastasio SOMOSA) as a specialist in guerrilla warfare.

2. About late May or early June, ESPINAL was drinking in a Managua bar and engaged one of A/1's delegation in conversation, not knowing who he was. He claimed to have been in Guatemala recently where he had worked with some "good people of the lower classes" in an attempt to overthrow the Guatemalan government. He quoted at length, and accurately, from Che GUEVARA and used examples, also accurately, for some Fidel CASTRO operations on how to overthrow a government. A/1's man played the part of a leftist sympathizer to elicit from subject. Through the Nicaraguan security service, the MRR people found out that Col. RUIZ H. claimed subject had come to him and presented himself as a GW expert saying he was willing to work for him in an attempt to make a coup against the government in Costa Rica. In early July, subject told Col. RUIZ H. that the Costa Rican operation was taking too long and nothing much was going on, so he was going to Panama from where he could be called back immediately when they were ready to go in Costa Rica. Subject had also been overheard to say in Managua that he had a special mission to assassinate a Central American president.

3. A/1 said the Nicaraguan service believes that Angelini's Restaurant in Panama City is a source of false passports for Communists. A/1 looked at the place on his visit in Panama and found it to be in a poor section inhabited by Communists not far from the International Hotel.

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14 00000
SECRET

-3-

4. A/I said he reported the above information to Major ARAUZ, Chief of the Presidential Guard in Panama City. He was unable to see President ROBLES, who was away in the interior.

Carl E. Jenkins
WH/C/CA/EA

SECRET

27 August 1965

MEMORANDUM FOR THE RECORD

FROM : AMBIDY/1

**SUBJECT: AMBIDY/1 meeting with son of Colonel PERALTA of
Guatemala**

1. On 24 July 1965, A/1 met with the son of Col. PERALTA, at his request, at the Lido Palace Hotel in Nicaragua. The meeting was arranged by General MONTIEL, chief of the Nicaraguan security service.

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4. A/1 said young PERALTA was in Managua to attend a meeting concerning tourism in Central America.

Carl. E. Jenkins
WH/C/CA/EA

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27 August 1965

MEMORANDUM FOR THE RECORD

FROM : AMRIDDY/1

SUBJECT: AMRIDDY/1 discussion with President ORLICH,
Foreign Minister ODUBER and other Costa Rican
officials, late July to mid-August 1965.

1. In late July, A/1 went to Costa Rica and met with President ORLICH, telling him the MRR was out of business so far as operations directly against Cuba are concerned, and no longer needs bases, money, or other support for such paramilitary activities. A/1 described the latest MRR program to combat CASTRO/Communist efforts in Latin America by engaging in community development and counter-insurgency activities. He asked only for help in projecting a progressive and constructive image and some basic prestige for the MRR and for himself. To that end, he reminded President ORLICH that both of them knew full well that in the whiskey smuggling scandals and coup attempts for which A/1 had taken the rap, not only was he not guilty, but had been, in fact, the first one to give the warning in both cases. In return for those past favors, he now wants Pres. ORLICH to put him together with Daniel ODUBER (the PLN candidate for president who will almost certainly be elected) in order to counteract the bad-mouth put on A/1 to ODUBER by Manolo RAY, Colonel FIGULS, and Theodore "Yo-yo" QUIROZ. A/1 proposed to meet ODUBER personally, and let him make up his own mind. Pres. ORLICH called ODUBER's office, but he was off politicking on the coast. ORLICH then sent A/1 with Colonel LIPPA (a good friend of A/1) to talk with ODUBER's secretary, who also is a good friend of Col. LIPPA. The secretary (actually a male assistant) said everybody talks about A/1 but nobody really knows him or very much about him. Some good liberal revolutionaries say he is a good man, others say he is a S. O. B. A/1 replied that was the reason he had taken the trouble to come to see ODUBER, that he would make his position clear himself and would be glad to confront any accusers if ODUBER so desired. The secretary said they were concerned about the campaign because the opposition was uniting and was getting plenty of money from big businessmen. A/1 offered to help by printing posters, leaflets, and other campaign material if they needed it, free of charge at his "Quality Off-Set Printing Shop" in

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Miami. He also offered to help Pres. ORLICH's secretary, Roberto MADRIZ, who may run for Deputy if he can be convinced to ignore his shyness and reluctance to make political speeches.

2. On 8 and 9 August, A/l was again in Costa Rica and met with ODUBER, this meeting was arranged by Roberto MADRIZ. ODUBER admitted that he knew the Cubans were not guilty of the smuggling charges that had been levied against them. He also appreciated A/l's previous refusals to assist coup plotters and his help in squelching their efforts. A/l said he told ODUBER, "I know you have been told I am a S. O. B. and I want you to see for yourself what I am and make up your mind. I know the people who have so described me and would like to meet you together with them so you can make your own judgement." A/l said these opening remarks brought on ODUBER's replies about the smuggling and coup reports.

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U. S., dealing directly with other countries on Costa Rican interests instead of falling in line always with the U.S. and the OAS. A/l mentioned Pres. ORLICH's offer to recognize a Government of Free Cuba if A/l could manage to seize and hold a piece of Cuba and declare such a government. ODUBER agreed to honor the agreement, without committing troops, but through his good offices in foreign affairs. He agreed to exert moral pressure on the U.S. in behalf of such an undertaking, if necessary, by exploiting the favorable press and public attitude toward him in the U.S.

3. In A/l's opinion, ODUBER is not a Communist by any stretch of the imagination, nor will he be a later edition of "Pepe" FIGUERES. If he does take over, there will be many problems for the U.S. in contrast to the easy-going relationship with "Chico" ORLICH. ODUBER's personal circle includes a strong group of violently anti-U.S. people. One of them, according to A/l's delegation in San Jose, is (ina) SUNIDA, a government official who is the Costa Rican in charge of Alliance for Progress matters. He has been heard to say that if ODUBER were president, no Costa Rican troops would be sent to Santo Domingo nor would Costa Rica support OAS decisions forced by the U.S.

Carl E. JENKINS
WE/C/CA/EA

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Remarks: <i>1 - I talked to WH/c people and got follow-up requirements - CEC</i> <i>2 to 6: I believe copies of these memos should go to appropriate stations for their info. EJF</i>			
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27 August 1965

MEMORANDUM FOR THE RECORD

FROM : AMBIDDY/1

SUBJECT: Vidal ESPINAL Herrero, possible CI suspect

1. Subject is a Spaniard who is believed to be working now at the Ron Carta Vieja factory in Panama City. He previously lived in Managua and worked for Colonel Miguel RUIZ Herrera (a Costa Rican sometimes employed by General Anastasio SOMOZA) as a specialist in guerrilla warfare.

2. About late May or early June, ESPINAL was drinking in a Managua bar and angaged one of A/l's delegation in conversation, not knowing who he was. He claimed to have been in Guatemala recently where he had worked with some "good people of the lower classes" in an attempt to overthrow the Guatemalan government. He quoted at length, and accurately, from Che GUEVARA and used examples, also accurately, for some Fidel CASTRO operations on how to overthrow a government. A/l's man played the part of a leftist sympathizer to elicit from subject. Through the Nicaraguan security service, the MRR people found out that Col. RUIZ H. claimed subject had come to him and presented himself as a GW expert saying he was willing to work for him in an attempt to make a coup against the government in Costa Rica. In early July, subject told Col. RUIZ H. that the Costa Rican operation was taking too long and nothing much was going on, so he was going to Panama from where he could be called back immediately when they were ready to go in Costa Rica. Subject had also been overheard to say in Managua that he had a special mission to assassinate a Central American president.

3. A/l said the Nicaraguan service believes that Angelini's Restaurant in Panama City is a source of false passports for Communists. A/l looked at the place on his visit in Panama and found it to be in a poor section inhabited by Communists not far from the International Hotel.

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4. A/l said he reported the above information to Major ARAUZ, Chief of the Presidential Guard in Panama City. He was unable to see President ROBLES, who was away in the interior.

Carl E. Jenkins
WH/C/CA/EA

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Carl E. JENKINS
WH/C/CA/EA

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IMMEDIATE DIR INFO WAVE MONT CITE MADR 1194 (AMEMT ACTING)

TYPIC QUANTUM

1. QUANTUM RECEIVED CABLE FROM HABANA 2 JULY SAYING PARENTS OF MANUEL ARTIME DUESA IN SERIOUS DANGER. IF FATHER ARRESTED, PROBABLY WOULD BE SHOT.
2. QUANTUM SOURCE SAID ONLY WAY SAVE THEM WOULD BE FOR GOVT URUGUAY TO ORDER CHARGE D'AFFAIRES HABANA GRANT ASYLUM.

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CENTRAL INTELLIGENCE AGENCY

ROUTINE

Intelligence Information Cable

COUNTRY CUBA/URUGUAY

TDCS -314/00124-64

DATE OF 2 JULY 1964
INFO.

DISTR 2 JULY 1964

SUBJECT

SERIOUS SITUATION OF PARENTS OF MANUEL ARTIME
BUESA

PLACE &
DATE ACQ. SPAIN, MADRID (2 JULY 1964)

REF

IN -20035

SOURCE
AND
APPRAISAL AN OFFICIAL SPANISH SERVICE.

FIELD REPORT NO.

1. ACCORDING TO A MESSAGE RECEIVED FROM HAVANA, CUBA, ON 2 JULY 1964, THE PARENTS OF MANUEL ARTIME BUESA, LEADER OF THE MOVIMIENTO DE RECUPERACION REVOLUCIONARIO (MRR, MOVEMENT FOR REVOLUTIONARY RECOVERY), ARE IN SERIOUS DANGER, AND IF THE FATHER IS ARRESTED, HE WILL PROBABLY BE SHOT. (SPANISH SERVICE COMMENT: THE INFORMANT SAID THAT THE ONLY WAY TO SAVE THEM WOULD BE FOR THE GOVERNMENT OF URUGUAY TO ORDER ITS CHARGE D'AFFAIRES IN HAVANA TO GRANT THEM ASYLUM.)
2. FIELD DISSEM: CINCLANT, CINCSO.

END OF MESSAGE

This material contains information affecting the National Defense of the United States within the meaning of the Espionage Laws, Title 18, U.S.C. Secs. 770 and 771, the transmission or revelation of which in any manner to an unauthorized person is prohibited by law.

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REF ID: A64942
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STATE/INS DIA ARMY/ACSI NAVY AIR JCS SECDEF NIA NIC XIS USA OCI ONS OCR CAR CO FBI INS
TREASURY

SECRET

3 July 1964

MEMORANDUM FOR THE RECORD

SUBJECT: Telephone Conversation between AMBIDY-1 and
Martin Ferrer

DATE : 30 June 1964 at 2130

1. I was called at home by the security officer and informed that AMBIDY-1 wished to speak to me. When I returned A-1's call he mentioned that he would be leaving for Costa Rica on 1 July. AMJAVA-4 would be remaining in Miami for four or five days to get the new reorganization under way. A-1 asked if we could intercede with INS in facilitating the departure of four or five of his men who wish to leave for the camps. A-1 was informed that we would be unable to take any action until the names have been submitted to us.

2. A-1 asked that we assist in obtaining a visa for Inocencio ALONSO Ramirez who will be sent to Mexico. Alonso will replace Pineda in the job that he was originally going to do. A-1 would prefer that Alonso have no contacts with any other Cuban exile organization while in Mexico.

3. A-1 stated that some of the MRR secretariats would need at least one or two weeks to wind up their affairs in Miami. A-1 was advised that we realize the dismantling of MRR in Miami could not be done over night. However, any procrastination would be viewed as an act of bad faith.

4. I informed A-1 that the ADELAIDA is being insured for \$14,000 per annum. A letter of confirmation from the Consejo would be sent shortly.

Above conversation conducted
in prearranged frequency
by [redacted] privacy code

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5. In concluding our telephone conversation A-1 stressed that he would like to meet Mr. Archer in August to report on the reorganization and improvements of his movement.

6. A-1 asked when he could meet with Carl in Latin America. I again reminded him that any time he wishes to meet with any of the Headquarters personnel he needs only to send us a message.

Raul J. Hernandez
Raul J. Hernandez
WH/SA/SO/HH

File:
AMBIDDY-1 - 201
Conversations
Inocencio ALONSO Ramirez - 201

Above conversation conducted
in prearranged frequently
changed privacy code

Classified
Excluded from automatic
downgrading and
declassification

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6 July 1964

MEMORANDUM FOR: Chief, Western Hemisphere Division
VIA : Deputy Chief, WH (Special Affairs)
SUBJECT : AMBORLD--Proposed Meeting between
Chief, WH and AMBIDY-1 in August 64

1. AMBIDY-1 has expressed a desire to meet with Chief, Western Hemisphere Division after the trials in August 64.
2. We have replied via AMJAVA-4 that Chief, WH will be glad to meet with AMBIDY-1 at that time.
3. We intend to hold on to the Maryland safe-house until after the meeting has taken place. Preferably AMBIDY-1 should be routed via San, Puerto Rico, to Baltimore Friendship Airport whence he would be picked up at a nearby motel and taken to the safehouse.

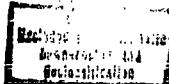
Henry D. Hecksher
WH/SA/SO/MH

HDD/gt (6 July 64)

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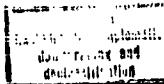


14 00000
6 July 1964

MEMORANDUM FOR: Chief, Western Hemisphere Division
VIA : Deputy Chief, WH (Special Affairs)
SUBJECT : AMWORLD--AMBIDY-1, Personality and
Handling Problems

1. Has AMBIDY-1, who is the linchpin of AMWORLD, acquitted himself well so far and by and large lived up to our expectations? The answer to this question is a qualified "yes."
2. Not having been selected by CIA as the man most likely to rally the best elements of the Cuban exile community round his cause, AMBIDY-1's disappointing showing as a political figure should come as no shock to anyone.
3. AMBIDY-1 never claimed that remnants of his movement inside Cuba were active or could be directed from abroad.
4. AMBIDY-1's ability to enlist and organize some good activists has been successfully put to the test. Given the extent of American help (and our methodical harassment of competing action groups), to have accomplished less would have been difficult to excuse.
5. AMBIDY-1's personality was formed in the crucible of student conspiracy against Batista, American exile, the Bay of Pigs fiasco, two years imprisonment under sentence of death and, since July 1963, headship of an unconventional warfare mechanism supported by the United States. He is a man of many engaging traits: Sincerity of demeanor, seeming ability to place events in a broader context of history, ready wit and self-depreciation, empathy based on shrewd evaluation of his interlocutors, to mention a few. Subjected

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to stress or suffering misfortune, some of the obverse traits begin to show: Uncontrollable outbursts of fury, impulsive reactions, peevish vindictiveness and self-pity (none of which have been observed by us firsthand).

6. Imbued with a somewhat shallow philosophy, AMBIDDUY-1 is prone to tailor ideas to what he strives to accomplish at any given moment and to the impression he desires to leave with his opposites. Since he rightly views his relationship with the Americans as crucial toward the achievement of main goal, viz., to overthrow and succeed Castro, his pronunciamientos usually hew close to what he conceives to represent the main lines of American thought.

7. AMBIDDUY-1's personality feeds on adulation and surface manifestations of loyalty, despite the fact that he claims to view loyalty to his person as ephemeral and as under continuing threat of subversion, especially by his American allies. To the extent possible, we have attempted to assuage his preoccupations on that score.

8. In the final analysis, AMBIDDUY-1 trusts only himself and views even his closest associates as mere pawns whose relative value fluctuates as the chess game progresses.

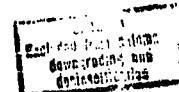
9. Endowed with an inquisitive and retentive mind, AMBIDDUY-1 has a remarkable knowledge of facts which in any discussion he ably marshals and articulates.

10. AMBIDDUY-1's views of things American is conditioned by his quest for a key position in the struggle to overthrow Castro. Hence, any advice is selectively accepted or (usually tacitly) rejected, depending on whether it serves to strengthen that position. There is, of course, nothing reprehensible about this.

11. AMBIDDUY-1 relates to his environment in essentially conspiratorial terms. His world is peopled with demons and saints, the latter frequently epitomized by CIA, the former by the Department of State. All American moves toward himself and his organization are interpreted by him in those terms.

12. AMBIDDUY-1 probably fancies himself as an adept student of human behavior. Applying as a gauge his choice of intimates and bedmates, he appears to be capable of committing appalling blunders in his judgements of human nature.

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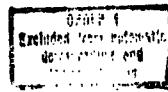
13. AMBIDDUY-1 has permitted himself to get snared in a web finely spun by a squad of hardened veterans of Havana's underworld. This can be analyzed as manifestation of rank immaturity. More difficult to explain is that AMBIDDUY-1 has relinquished control over this affair to an extent where it now threatens his life's work. In AMBIDDUY-1's PRQ II we predicted, more boldly than wisely, that he would not get caught up in female entanglements. While we did not underestimate the power of sex, we probably overrated AMBIDDUY-1's character and motivation.

14. In a project which may have vast consequence as regards the security of the United States (transcending by far its intrinsic value as an unconventional warfare instrument) we, of course, have to take into consideration the possibility that AMBIDDUY-1 could be working for the other side—either now or later. We view this possibility as most unlikely, yet feel somewhat remiss in not having paid much attention to what transpired between the landing at Playa Giron and the Rose Bowl ceremony. There has been some talk about his having undergone marked personality changes during that period in his life, but we actually do not know whether and, if so, to what extent his psyche suffered damage.

15. AMBIDDUY-1's aged parents live in Cuba. He professes intense filial devotion toward his mother. Thus, Castro has in his power two valuable hostages. We have had some frank talks with AMBIDDUY-1 about this subject and he knows that we are not unmindful of the purpose to which such hostages can be put. We have received no indications that pressures have as yet been brought to bear upon AMBIDDUY-1, nor do we have any concrete reason for believing that such pressures would be of much avail.

16. AMBIDDUY-1's intense love of country strikes me as unfeigned. In the light of his resistance record and feats of personal sacrifice, we doubt whether he could consciously bring himself to harming Cuba. His hatred of Castro stems in the main from the latter's betrayal of the revolution. AMBIDDUY-1 frequently mentions Cuba's subversion to the USSR as the darkest betrayal of all, but also voices exception to other aspects of Castro's tyranny.

17. Can we take AMBIDDUY-1's professions of faith in democratic principles and the Constitution of 1940 at face value? I submit that we not do so as long as we are unable

~~SECRET~~

SECRET

-4-

to fathom the bedrock of his political convictions. I am reluctant to accept his writings and the program of the MRR as a valid base for judgement in this regard. In the final analysis, it may turn out that what animates AMBIDY-1 in his unwavering opposition to Castro is the fact that as long as Castro is "in" AMBIDY-1 is likely to remain "out." That, for purposes of justifying our support to him, may suffice.

18. Our methods of handling AMBIDY-1 will have to remain circumscribed by the imperatives of autonomy. He cannot be treated as a controlled agent without making a mockery of autonomy.

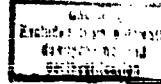
19. One of the benefits we have reaped from autonomy is that the American position vis-a-vis AMWORLD and particularly the elements of self-interest which animate us in supporting this project can be clearly spelled out without necessarily jeopardizing the project.

20. AMBIDY-1's manifest dependency upon American goodwill, while an element of latent control and as such recognized by AMBIDY-1, ought not be kept in the forefront of our dealings with him inasmuch as it injects another element of instability which forces AMBIDY-1 to worry about his rear whereas he ought be concentrating on his front. Too frequent harping on the consequences of American displeasure cannot serve to forward our project.

21. AMBIDY-1 has been known to make quite a fetish of his resentment at deceptive promises and broken commitments. Our record in this respect, while not unblemished, is fairly good. We can see no merit in practicing deception and much to commend candor in dealings with him. AMBIDY-1's own record of living up to commitments is somewhat marred by his shortcomings as an organizer and administrator. There have been no instances of demonstrable bad faith. However, seeming indications of assent on his part are frequently meant to denote no more than that he comprehends what has been said.

22. In providing AMBIDY-1 with political guidance, we should strive to relieve him of all preoccupation with the vagaries of United States foreign policy and to discourage sterile demonological speculation.

23. Hopefully, recent realignments within AMWORLD will serve to usher in a period of political tranquility



SECRET

-6-

in CIA's relations with AMBIDEX-1. For purposes of ANWORLD,
the task in hand is in the realm of paramilitary and not
political warfare.

Henry D. Rockshor
TR/SA/DO/EM

cc: DC/WH/SA

RHM/bk

Distribution:

Orig - Addressees

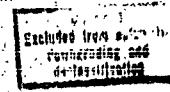
1 - AMBIDEX-1 201

1 - Policy File

1 - Counterintelligence File

cc: COS, JMWAVE

SECRET



CLASSIFIED MESSAGE

SECRET

TO : SAN JOSE

FROM : SAN JOSE

ACTION: DC/MH/SA 3

INFO. : *DOP, C/MH, VR

ROUTING			
1	2	3	4
YAD INT 1 4 SS SB			
21	1 S		
31	103 6 PERS AR		
EOB RPTS LOG CA			
CI SI BF EE			
SEC RS			

201
JES

IC RET 861835Z

DIR INFO MANA WAVE CITE SJOS 6865

16 JUL 64 IN 21930

RYPIC AMWORLD

ON 3 JULY TACA CARRIED FOL CUBANS TO MANA: MANUEL FRANCISCO ARTINE
 BUESA; JACINTO LUZARRAGA GARCIA.

SECRET

C/S COMMENT: *DISSEMINATION APPLICABLE TO RYBAT YOBITE CABLES.

SECRET

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documenting and
transmitting

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14 00000
SECRET

APPROVAL Meeting in Panama, 10 July 1964

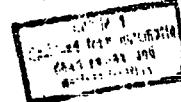
SUBJECT: Photographs of Adelaida Padron y Cruz

The subject of photographs of AMBIDET-1's mistress was not raised by him at this meeting. He made no reference to Adelaida, and I did not bring up the subject. I did get the impression on no basis in particular that he was not concerned about the problem of Adelaida and apparently she is settled in Managua and not causing any problems at the moment. As the subject was not discussed, however, I would like to state that as a nebulous personal opinion, not as a reporting of fact.

Carl E. Jenkins
EN/BA/SO/EM

File:
Padron - 201
AMBIDET-1 - 201

SECRET



7-1-64

DISPATCH		S E C R E T	PROCESSING													
TO Deputy Chief, WH/SA	FROM Chief of Station, JMWAVE		<input checked="" type="checkbox"/> NAME & ADDRESS <input type="checkbox"/> RE-SEARCHED <input type="checkbox"/> FILE NUMBER <input type="checkbox"/> HEADQUARTERS <input type="checkbox"/> CAR LOG NUMBER <input type="checkbox"/> ABSTRACT <input type="checkbox"/> INDEXED <input type="checkbox"/> SERIALIZED													
SUBJECT: TYPIC/AMWORLD--Identity		<i>Attala Police</i>														
ACTION REQUIRED - REFERENCES																
Action Required: FYI																
Reference : UFGW-3963, 29 June 1964																
<p>1. WAVE has determined that IDEN presently resides at 881 N.E. 71st Street, Miami. The house she lives in has a "For Sale" sign on it by a real estate broker named Henry Chamberlain whose office is located at 7768 Biscayne Blvd.</p> <p>2. WAVE has checked the public records pertaining to the above property and the following information was obtained:</p> <p>A. "The property is reported being located at 881 N.E. 71st Street, Lot 124, Washington Place, Plot Book 20, Page 54. The house was built in 1940 and purchased on 4 May 1951 by Miriam C. Humes for \$19,000. Miss Humes married John C. McCarthy on 4 October 1961. The couple got a mortgage from First Federal Bank, Miami, for \$12,400, at which time the house was appraised for \$18,475. McCarthy died on 15 August 1962, and the title is now in the name of Miriam C. McCarthy. She has approximately \$6,000-\$7,000 in equity. Present mortgage is \$11,495.57, and she pays \$87.00 per month."</p> <p>3. WAVE was unable to obtain any information regarding AMBIDDY-1's interest, if any, in the property. It is possible that he intends to purchase some other property. WAVE will continue to check all leads regarding houses in Miami of interest to AMBIDDY-1 and will inform Headquarters of the results.</p>																
<i>Do 1-267437</i> <i>George E. Sneyd</i> Andrew K. REUTEMAN <i>19-124-27/3</i>																
Attachment - USC IDEN Sheet ATTACHED Distribution: 3 - Addressee Att. - USC <i>1 att.</i>																
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21 Jul 64	JUL 27 1964															
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HEADQUARTERS FILE NUMBER																
19-124-27/3																
CONFIDENTIAL REFURBISHED CLASSIFICATION SECRET																
DISSEMINATED																
SECRET																

DISP
Include this reference
downgrading and
declassification

14 00000
S E C R E T

~~DECLASSIFIED~~

SEPARATE COVER ATTACHMENT

TO UFGA-17035

IDENTITY

Adelaida PADRON y Cruz

alrabi:
✓ 3-WH/SA

~~DECLASSIFIED~~

S E C R E T

~~DECLASSIFIED~~

SIC att. 1 UFGA-17035

66 COPY

201-267437

UNCLASSIFIED INTERNAL
USE ONLY CONFIDENTIAL SECRET

ROUTING AND RECORD SHEET

SUBJECT: Information

FROM	EXTENSION	TO
TO: <u>1000 AMBIDY, Mrs. Ambidy, and</u> <u>others</u>	DATE <u>new 2157</u>	OFFICER'S INITIALS <u>ee</u>
		RECEIVED - FORWARDED
1. R/D/AN		
2. R/D/mis		CT
3. R/D/Files		
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COMMENTS (number each comment to show how often it is used. Draw a line across column after each comment)		
<p>Please reclassify mtu 201-267437</p> <p>Sgt. Stress is Mrs. AMBIDY-1</p>		

FORM
610

UN PREVIOUS EDITIONS

 SECRET CONFIDENTIAL INTERNAL
USE ONLY UNCLASSIFIED

14 00000
SECRET

29 July 1964

MEMORANDUM FOR: Chief, W/Security
SUBJECT : (Artine) Buesa, Manuel Francisco
201-310838

1. It is requested that the sterile telephone answering service on Washington, D. C. telephone number 638-4840 be extended until 28 September 1964.
2. It would be appreciated if your office handle the necessary arrangements to extend the answering service.

Inspector D. Sanchez
W/SA/BO/RH

R. J. Hernandez/gt (29 July 1964)

File:

Telephone Conversations
AMBIDY-1 - 201 ✓

SECRET

14 00000
SECRET

29 July 1964

MEMORANDUM FOR THE RECORD

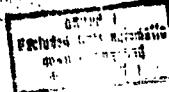
SUBJECT: Reported Marriage of AMBIDDY-1

SAMBORA has received conflicting reports concerning the possibility that AMBIDDY-1 has married Adelaida PADRON. One of the reports stated that AMBIDDY-1 married Adelaida in Miami during the first part of July. Another report originating from Sixto Mesa reported that AMBIDDY-1 was married in Costa Rica during the latter part of July.

Raul J. Hernandez
WH/SA/SO/HR

File:
SAMBORA - 201
AMBIDDY-1 - 201

SECRET



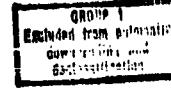
14 00000
AMWORLD Meeting in Houston, 31 July
SUBJECT: Status of AMBIDY-1's Parents

AMJAVA-4 stated that he had received in Miami a letter from the Spanish Consul in Cuba that AMBIDY-1's parents had planned to come out of Cuba before the Pilon raid. Afterwards they felt that it would be too dangerous and had stayed in place. Now orders are out to find them and to pick them up. The Spanish want them to take refuge in the Mexican Embassy at the earliest moment. The Spanish say that they can arrange to deliver the aged couple to the Mexican Embassy. The question is, can we at HQS check with the Mexican Government to try to arrange that they guarantee to receive and afford safe travel to Mexico for AMBIDY-1's parents. I agreed to investigate but gave no commitment or real hope of any success.

Carl E. Jenkins
W/SA/SO/HM

File:
AMBIDY-1 - 201 ✓

SECRET



SECRET

31 July 1964

MEMORANDUM FOR THE RECORD

SUBJECT: Telephone Conversation Between AMJAVA-4
and Martin Ferrer

DATE : 31 July 1964, 1300 hours

1. AMJAVA-4 complained that the regular budget funds for August had not arrived at their bank and inquired as to the reason for the delay. Martin stated he would check into the matter and Carl would have the explanation at their meeting tonight. In the meantime, A-4 will ask ANWORLD-2 for a loan. A-4 also asked for an itemized account of the deposits still remaining in Bank Account II.

2. A-4 claimed he spoke to Mr. Summ recently concerning the exit of ANWORLD personnel from Miami. According to A-4 it is presently impossible for their people to leave.

3. A-4 asked that we obtain radio cryptographic pads since their supply is running short.

4. A-4 stated that ADELAIDA is being repaired at their base and, in his opinion, the ship will be able to carry out operations in the early part of August. A-4 suggested that Mr. Mitchell go to the base and talk to Francisco HIN Morales who is handling the repairs on the ADELAIDA. A-4 felt that these are only temporary repairs and the ADELAIDA will have to go into drydock. A-4 believes that a meeting of the minds between Mitchell and Hin would be beneficial on how to best keep the ADELAIDA operational. The undersigned stated he did not know if this would be possible for security reasons and the results would be passed through Carl.

5. A-4 stated he had received the spare parts for the 50 caliber machine guns and the 20 mm. cannons.

Above communication numbered
in prearranged frequency,
changed privacy code

SECRET



14 00000
SECRET

-2

6. According to AMJAVA-4 Carrillo has paid all the bills
of Talaria.

7. A-4 reported that AMBIDOT-1 was married in Nicaragua on
13 July. A-4 was asked to convey our best wishes.

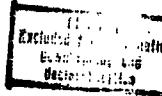
8. Carl stated he would meet A-4's flight into Houston.
In the event they did not meet at the airport, A-4 was to
proceed to the usual place.

Raul J. Hernandez
ME/BA/DO/HK

File:
AMJAVA-201
Conversations
ADELAIDA
AMBIDOT-1 201

Above conversation conducted
in plain English. No security
changes, privacy code.

SECRET



W.E. SANCHEZ/et
W2/SA/SO/HH
6 August 64
34477

MESSAGE FORM

<input type="checkbox"/> NOCS	<input checked="" type="checkbox"/> SEC RET
<input checked="" type="checkbox"/> NO NOCS	
3 FILE IN CS FILE NO. 19-124-27/2	

ROUTING

1	do	3	6
2		4	
3		5	17
4	FBI	6	18

CI
[]

SP 11
[]
SEC RS

PANAMA CITY
FROM DIRECTOR
CONC. 11/16/1503

TO DOP, ALCANTARA, ETC. Admin
A-1 201

TO PRIORITY PRIORITY

DOC.

CITE OR

30248

REPT. TYPIC YOBITE AMWORLD

REF: DIR 40165

FOR JENKINS:

1. MESSAGE RECEIVED FROM AMBIDDY-1, ETA PANAMA 7 AUGUST.
2. ALSO RAISES SUBJECT PARENTS DIFFICULTIES IN PBRUMEN AND ASKS IF WE CAN ARRANGE ASYLUM THRU MEXICANS. WHILE MOST SYMPATHETIC AMBIDDY-1 PERSONAL PROBLEM, SEE NO WAY SECURELY INTERcede HIS BEHALF WITHOUT COMPROMISING RELATIONSHIP AND INDICATING ODYOKE INTEREST TO MEXICANS.

END OF MESSAGE

W. Howard
D. MONTE FITZGERALD
C/WHD

Halpern
SAMUEL HALPERN
ADC/AWH (SA)

RELEASING OFFICER

63

COORDINATING OFFICER

SECRET

GROUP I
Excluded from automatic
downgrading and
declassification

AUTHENTICATING
OFFICER

Cov No.

REPRODUCTION BY OTHER THAN THE ISSUING OFFICE IS PROHIBITED.

CLASSIFIED MESSAGE

SECRET

ROUTING			
1	W-18	PTI	45
2			
3		5 P.M.	46
4			
	EDS	PTI	46
	C1	SI	46
	0300	W.H. (30)	

TO . Director

FROM : yogurt Temp for MR Sanchez WHR C: 0300 AM (4-20)
ACTION: DCI W/S A 2
INFO : DDP, VR

~~SECRET~~ 8603452

IMMEDIATE PIR CITE YOGU 1304

RYBA'S TYPE

AMWORLD LASBAR TYPIC

FOLLOWING RECEIVED AT 06/0540Z

GROUPS '53

FOLLOWING RECEIVED ON THE AMB IDDY PRIVACY LINK (THO NOT SLUGGED AMB IDDY)

XXXX SEIXX ENTER ADOPD RGALL INAKG AJLIN AMISP ADRES TIEN

SITUACION DIFICIL RFT DIFICIL ENCUENTRO UBAK UBAKS UPLIC OLESV

ERSIK SIPUE DENCO NSEGU IRCON JESTI ONESE NEMBA JADAD EMEJI

EDVINE & COE NCUEA NCUEA CMAAS ILUPA RAELL OSKIR EALFA MANZA

MAPAR AVERA LFACA BLOSK CARLO SCHAV IERNE SSIET ENGRA CGASK

112

END OF AGENT MESSAGE

— 1 —

TRANSLATION

Informed by Oscar that my parents are having difficult situation in Cuba. I request you see if arrangements can be made with Mexican embassy in Cuba for their asylum. I will go to Panama 7 Aug. to meet Carl. Thank you. Ignacio

14 00000
SF
AMICOLD Meeting in Panama City, 8 August 1964

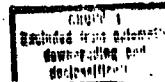
SUBJECT: Parents of AMBIDY-1

In connection with his parents I told AMBIDY-1 that my HQS had investigated the possibility of intercession with Mexico in their behalf. Our considered opinion was that this would not serve a useful purpose and might be counter-productive. The relations with Mexico are strained at present because of their adverse vote in the OAS meeting and my people could see no way in which they could intercede without directly indicating an official U. S. Government interest in AMBIDY-1 himself. He agreed that this was probably the situation. He asked only if in my opinion we might be able to assist in expediting their entry into the United States as refugees seeking asylum in case they were able to make their way to Mexico. I stated that in my opinion we would be able to assist in such a situation.

Carl E. Jenkins
NH/SA/SC/NR

File:
AMBIDY-1 - 201

SECRET



CLASSIFIED MESSAGE

.13 SECRET

TO : DIRECTOR
 FROM : PANAMA CITY
 ACTION: DC/WH/SA 3
 INFO : DDP, CIWH, VR

ROUTING			
1	2	3	4
2	3	4	5
3	4	5	
CIS		SI	BY
		SPC	MS

SECRET 072130Z

DIR CITE PACY 4244

REF ID: A40641N45982
~~REF ID: A40641N45982~~
REB TYPIC YOBITE AMWORLD

REFS: A. DIR 40165 - 301

B. DIR 40248 - A-1 301

C. DIR 40297

D. DIR 40466

E. DIR 40534

1. REFS DISCUSSED WITH ZABOTH 6-7 AUG. HE WILL TAKE UP WITH AMBIDDY-1 8 AUG.

2. LAROUSSE ADVISED STA 7 AUG THAT 60-DAY TOURIST VISAS OF AMWORLD DC-3 CREW EXPIRED THAT DATE. COULD EXTEND VISAS LOCALLY BUT THIS WOULD REQUIRE SPECIAL APPLICATION AND SUBJECT CREW TO TAX DECLARATIONS AND OTHER RED TAPE TO SECURE EXIT PERMITS LATER. ZABOTH AND STA AGREED PREFERABLE CREW RETURN MANA AND SECURE NEW VISAS THERE. LAROUSSE SO ADVISED. ZABOTH WILL BRIEF AMBIDDY-1 THIS ASPECT AND A-1 WILL DIRECT CREW RETURN PACY AFTER DISCUSSIONS WITH THEM IN NIC.

3. ZABOTH ETD PACY 9 AUG. WILL CALL FROM HOUSTON.

4. NO INDEX.

SECRET

CIS COMMENT: AMBIDDY-1 DELAYED UNTIL 8 AUG DUE VISA PROBLEMS.

SECRET

SECRET
Excluded from automatic
downgrading and
declassification

1400000
SECRET/RYBAT

DESENSITIZED

SEPARATE COVER ATTACHMENT TO:
UFGA-14759, 21 August 1964

SUBJECT: Dr. Manuel ARTIME Buesa
DATE : 15 July 1964
FROM : Carlos A. RIVERA

A few days ago I was able to read a report on the activities in large scale of Dr. Manuel ARTIME Buesa, and the beginning of his intimate relations with his present mistress.

Of this report I can mention the most outstanding passages as I had to memorize them.

"Dr. Manuel ARTIME Buesa takes his first steps in the public life as Political Sargent of the 'Partido del Pueblo Libre' (Party of the Free People) whose leader at that time was Dr. Carlos MARQUEZ Sterling.

Later he directed his activities in the fight against General BATISTA, going in the Sierra Maestra where he was appointed Lieutenant by Major Humberto SORI-MARIN.

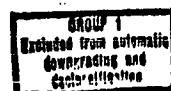
He was appointed Lieutenant because of his friendship with Major SORI-MARIN, because he was catholic, and because of the lack of trained persons in the Sierra Maestra.

There are more news on Dr. Manuel ARTIME Buesa when he published the open letter in the newspaper "Avance" denouncing the Castro Regime. The letter was published after he left Cuba, while in Exile in Mexico.

In answering, the CASTRO Regime accuses him of having stolen funds from the Cooperative of which he had charge. This was certified by his friend Major Humberto SORI-MARIN.

When he arrives in the USA, that is in Miami, Florida, he is a guest of Mr. Ricardo LORIE and Mr. Michael YABOR.

An argument begins within the MRR, in which there are two sides, one includes Ricardo LORIE and Michael YABOR, and the



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SECRET/RYBAT

14 00000
SECRET/RYBAT

-2-
~~DESENSITIZED~~

other Dr. Manuel ARTIME Buesa and Miss Pepita Riera.

This argument becomes stronger because of the appointment of the MRR Delegate to the Democratic Revolutionary Front.

Dr. Manuel ARTIME Buesa aspires with all his strength and intrigues to this position.

He seeks the help of Mr. "Macho" BAQUER, who is said to belong to the CIA and who at the same time supports the FRD (DRF).

He holds a meeting with Mr. SANJENIS in the Cafeteria Dough-Nuts, at 8 and 33 Ave., SW.

Later, at a luncheon at the home of Mr. SANJENIS, in Fort Lauderdale, he obtains the support of Manuel VILLAFANA, Pepita RIERA, SANJENIS, and Mr. PAULA, who agree to help him in his plans.

Nevertheless, he continues to look for support and tries with the BATISTA sector, maintaining reunions with MUJAL, Chile MENDOZA and Engineer BADIA.

The plans of the Council are being completed as far as the camps in Guatemala, etc., and in order to get the control on the civil and military sections, due to his excessive ambitions, he tries and obtains the support of the following persons: Col. BASCO, Dr. SARDINAS, Col. Orlando PIEDRA, Miguel SUAREZ Fernandez, Cabo HERMIDA, Laureano BATISTA Falla and Mr. Juan MESA, who is said to be a CIA representative. It is common understanding that this gentleman has helped him quite a bit.

He also receives the help of the Catholic Front through Father GONZALEZ Posada and Father LLORENTE, who refused it at a beginning.

With all this in his hands, he obtains the control of the military phase and appoints officers of his trust to the commanding posts in Guatemala, such as the brothers San Roman, SUEIRAS, Eneido OLIVA, Andrew Jr., Manuel VILLAFANA and Carol.

After the disaster of the Bay of Pigs and the return to Miami, he continues with his activities, taking active part in the Orange Bowl act, where President John F. KENNEDY is presented with the "false" banner of the Brigade 2506.

~~DESENSITIZED~~

SECRET/RYBAT

14 00000
SECRET/RYBAT

-3-

DESENSITIZED

That banner was never, at any time, in front of the Bay of Pigs, but came from Guatemala, brought by MORO-MOLINET and which bears his signature on one corner.

The Government of the USA was advised that they would make a political play with this banner, so it is returned to Fort Beranet, and is later destroyed by true revolutionaries.

Dr. Manuel ARTIME Buesa has had contact with the BIRCH Society, group of crazy Nazi who is an infiltrate of the Communists.

There are reports that his father has been a communist for years in a department of Las Villas Province.

Beginning of his relations with his present mistress and date on several figures forming his group.

A certain morning Dr. Manuel ARTIME Buesa visits the Restaurant Rancho Luna, at 8 and 9 Ave., SW, accompanied by his chauffeur, BASULTO.

Casually or prearranged, he meets Mr. Edgar SOPO Granda, friend of Dr. ARTIME and member of the Brigade 2506. (This young man is the son of a Navy officer under BATISTA, who committed suicide in La Cabana at the beginning of the Revolution.)

SOPA Granda was in the company of his close friend Aida PEREZ Pozo, who in turn was in the company of her "intimate" friends Juana MANUELA and Adelaida PADRON.

At this meeting Dr. ARTIME and Adelaida PADRON liked each other, and the great idyl is born.

Dr. ARTIME set up a house for Mrs. Adelaida PADRON on 71 NE 6 Ave., where she lives with her two smaller children by her first marriage to Major Roger ROJAS Lavernia. It is rumored in the circles close to this couple that Dr. ARTIME will soon marry this woman.

These three women: Adelaida PADRON, Juana MANUELA, Aida PEREZ Pozo, are known for their sexual deviations, that is, they are three famous lesbians.

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-4-
DESENSITIZED

They began to visit the MRR offices, and several of its members complained because of their lack of morals.

Nevertheless, Mrs. Aida PEREZ Pozo was assigned in the Intelligence department of the MRR with a salary of \$100.00 per month. It is rumored this was because of her close friendship with Adelaida PADRON and ARTIME.

Adelaida PADRON:

Of humble family, she is known as servant of Mrs. Maria Luisa GOMEZ-MENA, famous lesbian of the high society of Cuba.

She is her favorite servant and takes her along in her trips to Europe, having great regards for her.

At the time that Adelaida PADRON was working for Mrs. Ma. Luisa GOMEZ-MENA, the chauffeur of the latter was a brother of the well known lesbian, Mrs. Lucia CANO, better known by the nickname of "La Campeona" (The Champion).

This is the reason for the great friendship between Adelaida PADRON and Lucia CANO - "La Campeona".

Adelaida PADRON is also a close friend of Flor de Lotto LARRUA and Toni LAVERNIA, famous artists in Cuba.

Adelaide PADRON has arrived to her corruption. She boasts of having had intimate contacts with leading women of the Cuban society.

While she was still married to Major Roger ROJAS, she gave a party at her house at 445 NE & 30 Ave., Miami, where among the approximately thirty persons who assisted, there were about fifteen lesbians and about five homosexuals. There is a picture of this party in the "Revista Farandula", published about one and a half years ago.

General Fulgencio BATISTA was the witness at the wedding of then Lieutenant Roger ROJAS Lavernia and "Miss" Adelaida PADRON.

This wedding took place with great roar in the Night-Club Tropicana, of Havana, Cuba.

It is said that Adelaida PADRON maintained intimate relations

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with General BATISTA, and that it is even certain that one of her sons is of the General.

Later Adelaida PADRON gets the divorce and maintains intimate relations with Mr. Pedrito SUAREZ.

Mr. Pedrito SUAREZ was a candidate for Mayor of Mariannao and is a close friend of Dr. Rolando MASFERRER.

At present Mr. SUAREZ has intimate relations with a woman named YOLANDA.

Mr. SUAREZ requested that Adelaida PADRON return a Chevrolet Belair, 1953, to him, since he bought it, but she does not return it because she says that "it is in her name and it is hers".

Mr. SUAREZ at this time has a business of fruit seeds in Homestead, Florida.

Mr. Roger ROJAS Lavernia:

Of rich family, son of Mr. Pedro ROJAS Bermudez, Chamber representative for the Liberal Party in the Oriente Province, Cuba, for several terms. Owner of sugar cane farms and live stock ranches. Roger ROJAS Lavernia entered the Cadet School, graduating a sub-officer. He served in several squadrons of the Rural Guard and because of his close friendship with General BATISTA, in 1957 he was sent to the USA (Washington) to take an intelligence course, in order to create the BRAC (Buro de Repression de Actividades Comunistas - Bureau of Repression of Communist Activities)- "Cuerpo de Investigaciones Anticomunistas" (Anti-Communist Investigation Corps).

After working for a while in the BRAC, he was promoted to Major, Chief of this corps,

It is said that this promotion was due to the relations of Adelaida PADRON with General BATISTA.

At the present time Mr. Roger ROJAS Lavernia resides at 445 NW 30 Ave., is owner of a boarding house, but he is going to dispose of it this month.

Major Roger ROJAS Lavernia faced problems at the beginning of the Revolution, but through his friendship with the rebel Major,

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William GALVEZ, he was able to take care of them.

It is to be noted that Major William GALVEZ is the lover of Adelaida PADRON's sister.

Aida PEREZ Pozo and Juana MANUELA:

Aida PEREZ Pozo and Juana MANUELA entered the USA through the Mexican border, crossing the Rio Bravo.

They are lesbians and it is said that Juana Manuela is the "husband" in this couple.

Juana MANUELA is the daughter of a District Attorney of Las Villas, who has lately run into trouble with the Miami Police.

Because of their obscure positions here, it is believed that they are infiltrates of the G-2.

At the present time Aida PEREZ Pozo resides with her sister, Migdalia PEREZ Pozo, at 1432 NW 16 St., Apt. 1, Miami, Florida.

Migdalia PEREZ Pozo is married to Mr. Santiago SANCHEZ, who is a revolutionary, working at this time for the MRR.

Lucia CANO "La Campeona":

Lucia CANO, known by the nickname of "La Campeona", is a lesbian, famous in this milieu.

The brother of this "lady" is the chauffeur of Mrs. Maria Luisa GOMEZ-MENA; he is known to be a communist; he even made trips to Russia and Czechoslovakia.

The sisters of Lucia CANO are also communist and are still in Cuba.

The husband of Lucia CANO is Jose SEBLEDO, known as "El Gallego", and is almost always around the restaurant owned by TURQUITO, on 8 St. SW. This TURQUITO is the one of the ORFILA trouble. Mrs. Lucia CANO has a lover, a married man with two children. His name is unknown.

Mrs. Lucia CANO, "La Campeona", is "intimate" friend of Adelaida PADRON.

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Although Adelaida PADRON maintains "intimate" relations with several of her girl friends in Miami, she has confessed that the one she likes completely is her "intimate girl friend", the wife of Dr. Pedro RAMOS, well known doctor who resides in Miami, Florida.

Dr. Pedro RAMOS resides at 213 NW 50 St., Miami, Florida.

Victoria PADRON:

She is the sister of Adelaida PADRON. She is tied in this matter because she introduced and directs all of her sister's activities.

Victoria PADRON is married to an Italian-American whose name is unknown.

Victoria PADRON lives in common-law with Mr. Raul GRANDA, married, ex-chief of the Military G-1 in the era of General BATISTA.

According to what Aida PEREZ Pozo informed to Mr. Manolin GARCIA, when the counter-revolution will succeed, Mr. Raul GRANDA WILL occupy his post because it is a family affair through ARTIME, Adelaida, etc.

NOTE: In all this love intrigue around Dr. Manuel ARTIME Buesa, there could be the influence of two factors: either the infiltration of BATISTA elements, as almost all the components of the groups have some link with him; or else infiltrates of Castroites who work in the USA, since there are involved the relatives of Lucia CANO, who are communists and still in Cuba. There is also the link of Adelaida PADRON's sister with Major William GALVEZ.

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DISPATCHS E C R E T
S E C R E T L-1

PROCESSING

TYPE	ACTION	DATE
REPORTS & ANALYSIS		
XX	NO ANALYSIS REQUIRED	
COPY	HEADQUARTERS NEEDS CAN ALSO INCLUDES	
	ABSTRACT	
	ENCLOSURE	

Deputy Chief, WH/SA

Chief of Station, JMWAVE

BYBAT/TYPIC/AMWORLD

Reports on AMBIDDY/1 Activities

ACTION REQUIRED: REFERENCES

ACTION REQUIRED: FYI

REFERENCE : None.

1. The Station continues to receive numerous reports on AMBIDDY/1 activities. Most are fragmentary and based on stories which someone has heard about town but invariably cannot be traced to exact sources. Some of these reports are as follows:

a. AMRAZZ/1. The departure of AMBIDDY/1 and his group from the WAVE area was due to pressure from ODACID. This action was the result of the publicity generated by AMWORLD after their successful operation. The departure did not signify a loss of aid to AMWORLD from ODYOKA. The exit of AMYUM/19 from AMWORLD was due to his dissatisfaction with AMBIDDY/1's immorality. It is supposed that AMYUM/19 is a spokesman in this regard for the AGRUPACION CATALICA. AMBIDDY/1 is accused of leading a licentious life for some time; having a mistress who was formerly a mistress of Batista; and buying a house and presenting it to this woman. It is also reported that he will marry this woman soon.

b. AMRAZZ/1. Carlos MONTANER advised that AMBIDDY/1 has almost run out of funds and that his group will soon be liquidated.

c. AMSHADY/1. The talk around town is that AMBIDDY/1 is now married to his girl friend. However, he is still living with a male friend and she is still living with a girl friend.

CONTINUED

Attachment: U/S/C
1 cy, Rpt by Carlos A. RIVERA

CS COPY

201-267437

Distribution: -----
Orig & 2 - Addressee 1/2 t U/S/C

DATE TYPED	DATE DISPATCHED
21 Aug 64	AUG 24 1964
DISPATCH SYMBOL AND NUMBER	
UFGA-17459	
HEADQUARTERS FILE NUMBER	

CLASSIFICATION	CONFIDENTIAL
EXCLUDED FROM AUTOMATIC DECLASSIFICATION AND DISPOSITION	

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BYBAT RET

CLASSIFICATION OF
DISPATCH

SETTE T

REF ID: A617469

d. AMCHEER/25. (This information is from Pedro LEYVA Ugarizza, sub Director of the paper, REPLICA, through Carlos RIVERA.) Report attached under separate cover.

Andy K. Reuteman
ANDREW K. REUTEMAN

CS COPY

CLASSIFIED MESSAGE

(24)

47 SECRET

TO : DIRECTOR

FROM : SAN JOSE 201

ACTION: WH 8

INFO : DOD, CI, CIO, FBI, WH/SA 8, NR

ROUTING	
11	14
21	151
31	161

WS	WT	SS	SB
/	118	1203	AR
E3	11	LUG	CA
CI	ST	EP	SEC

REF ID: A68301

SECRET 042315Z

DIR INFO PACY WAVE CITE SJOS 6987 ✓

TRAVEL RECORDS INDICATE MANUEL ARTINE BUESA ARRIVED SAN JOSE FRC
PACY 3 SEPT TACA FLT 730.

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AS COPY

RECLASSIFIED	
RI/AN	✓
RI/MIS	✓
201-267437	
RI/Files	✓

SECRET

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Approved for automatic
downgrading and
declassification

Copy No.

CLASSIFIED MESSAGE SOME
CABIN

30. **SECRET**

FROM	PERSON/UNIT NOTIFIED	ROUTINE/PRIORITY			
SAN JOSE		1	2	3	4
ACTION	ADVANCE COPY	ISSUED	SLOTTED	FORWARDED	TIME
D/C/WH/SR 3	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	SI BY 0000
INFO					AM 0000
DDP, C/WH, VR					

A-1 201

SECRET 220302Z

DIR INR MANA PACY VALE CITE SJOS 7013

22 SEP 64 IN 78499

~~REF ID: A1000000000000000000000000000000~~

1. MANUEL ARTIME BUESA ARRIVED SAN JOSÉ 16 SEPTEMBER FROM PACY IN PRIVATE PLANE. TRAVEL RECORDS INDICATE FOLLOWING CUBANS ON PLANE WITH ARTIME: ANTONIO GONZALEZ TORRECILLA, JORGE MINERVINO NAVARRO RODRIGUEZ, PABLO ANTONIO ASTUDILLO OJEDA, CARLOS ORLANDO PILOTO Y VALLES. A JESUS ANTONIO SANZ DE ACEDO Y OLEA, LISTED AS SPANISH CITIZEN, ALSO IN THE GROUP.

2. ARTIME LEFT SAN JOSE FOR PACY 19 SEPT ON LACSA 629 AND RETURNED SAN JOSE 20 SEPT LACSA 628.

3. ARTIME AGAIN LEFT SAN JOSE 20 SEPT FOR MANA IN PRIVATE PLANE. RECORDS INDICATE GONZALEZ, NAVARRO, ASTUDELLIO, SANZ, AND A ADELAIDA PADRON CRUZ ON SAME PLANE.

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CLASSIFIED MESSAGE

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IN P0091 PAGE 2

23 Apr 64

UNCA CENES AAYUD AQUER ECISE YANKE EQUES ISHIF ICALA ULTI
 ACPOR - UNID ACDEL IBERA CIOMD EMIPA TRIAE SCLAV AAYER PORES
 PANAM ESPAV AYANK EHJOY POREL COMUN ISMOX RESPE TUCCA MENTE
 KHUEV O---

ABOVE MESSAGE RECEIVED ON FREQUENCY 14355 KCS. FIELD
 ENDED SCHEDULE WITH "VA VA" VICE LONG DASH, WHICH INCORRECT
 PROCEDURE.

VASH S/C NOTE: NO AMBIGDY/I SLUG USED.

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14. MR PRESIDENT OF THE "CONSEJO DE LIBERACION": 1) I ASSUME FULL
 RESPONSIBILITY FOR THE ERROR THAT WAS COMMITTED. 2) I GUARANTEE THAT IT
 WAS AN HONEST MISTAKE. 3) FORTUNATELY WE DISCOVERED A CLANDESTINE CARGO
 GOING TO BENEFIT MANY CUBAN COMMUNISTS. THE ERROR HAS PARALYZED 12 SUGAR
 MILLS. FORTUNATELY MARITIME INSURANCE RATES GOING TO CUBA HAVE INCREASED
 30%. 4) FORTUNATELY THE COUNTRY THAT OWNED THE SUNKEN SHIP HAS NEVER BEEN
 A LOYAL FRIEND OF THE WESTERN DEMOCRACIES AND IS REBUKED BY ITS FORMER
 COLONIES WHICH TODAY ARE FREE LATIN AMERICAN NATIONS. 5) KEVERTHLELESS,
 I AM AWARE OF THE GRAVE CONSEQUENCES BROUGHT ABOUT BY THIS ERROR AND
 BECAUSE OF IT, IF NECESSARY, I OFFER MY RESIGNATION OF MY DUTIES AND MY
 SEPARATION FROM THE CUBAN PROBLEM BUT I REQUEST OF THE CONSEJO THAT NONE
 OF MY FIGHTING MEN OR ORGANIZATION BE DENIED THE AID THEY ARE RECEIVING
 WHICH SIGNIFIES THE LAST OPPORTUNITY TO LIBERATE MY ENSLAVED HOMELAND
 YESTERDAY BY SPAIN AND TODAY BY COMMUNISM. RESPECTFULLY, ARTIME.

SECRET

AMWORLD Meeting in New York, 6 October 1964

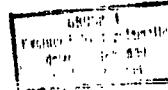
SUBJECT: AMWORLD Contingency Plans

1. AMJAVA-6 said that AMBIDDY-1 was very enthusiastic about the AMEIJEIRAS operation and felt this was the real key to success of our program to overthrow the Castro regime. He is prepared to concentrate on this operation completely for the immediate future.

2. I asked A-4 if they had done any planning on the basis that the AMEIJEIRAS operation might not pan out. He asked me directly whether a decision had been made to continue or to cut off support to AMWORLD. I told him that a decision had not been made but that my Headquarters was very interested in the outcome of the AMEIJEIRAS operation on which he was working. He recognized the importance of this operation and stated that he and A-1 had conjectured that future support to AMWORLD might be contingent on success or failure of their handling of that case. I did not confirm or deny this point but told him that the organization would surely be happy if they were able to handle it with success.

3. A-4 then explained that he and A-1 had spent considerable time discussing the future of their program and their prospects vis a vis the Agency. He said that in their opinion one of two things would happen; either the AMEIJEIRAS operation would pay off in which case they would be able to continue to operate with Agency support but with a diversion of major objectives or the operation would peter out, in which case they would have to consider what to do without Agency support. He said that A-1 was not only prepared to accept a diversion of primary objective but felt that present circumstances dictated the wisdom of such a move. However, both of them feel that their present paramilitary program must be continued, not because it is crucial to the outcome of the Cuban situation, but because the strength which they exhibit through these operations is the only attraction to AMWORLD that has caused the AMEIJEIRAS group to contact them.

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4. In case the AMEIKEIRAS operation fails to develop, and the Agency should decide to cut off support to AMWORLD, A-4 says they will continue to try to operate as long as they can. He said that instead of 200 people they might be operating with 20, but they could do something. So long as they have the hardware with which to operate they can "sell" operations each time. For example, he said, they would go to Cuban exiles, to Venezuela, to American businessmen, etc. and would tell them, "The October operation will cost \$25,000. If you will underwrite it we will dedicate it to you and run it in your name." He feels this would carry them for a few months provided they can run a few successful operations.

5. A-4 said that when the support ran out, the hardware was all gone, and there was nothing left with which to operate, A-1 would take 12 or 15 of his hard core followers and go into the Escambray in Las Villas to make one last ditch effort. I asked him if A-1 felt he would have any chance of a success and A-4 stated that should such a state come to pass, A-1 would definitely go in with the expectation of being run down eventually and shot but that he would do this in order to go out in a blaze of glory and to continue to serve as a martyr. A-4 said there was absolutely no doubt in his mind that A-1 would follow this course, that he had a hero compulsion and a martyr complex and was completely without fear of death. A-4 again mentioned an idea held by A-1 that he will not live past 29 January 1965 (his birthday) because he is convinced that he is destined to reach the peak moment of his life during his 33rd year (as did Jesus Christ) and does not expect to live beyond that time.

6. I asked A-4 where he, personally, stood in such a future undertaking. He said that he was no hero, but he had dedicated seven years of his life as a schoolboy and young man to Cuban independence, and he could not stop now. He would not go in deliberately to die as a martyr, but he would continue with his work doing the best he could with whatever means he could come by. He stated, "A-1 is not such a leader as Tony VARONA who can separate himself completely from the struggle and go out to sell used cars. A-1 cannot exist in a life which is routine and without personal power. He will die first even in a suicidal mission." A-4 stated that

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-3-
he, himself, was of a different nature but that it would be just as impossible for him to go to a routine type of work and leave the work of liberation of his country.

7. I asked A-4 what AMWORLD would do if they were able to commence operations again. He said they had two targets on the north coast that they would like to hit when they have another chance. One is Puerto Vita, the other is Manati. They have target studies on Puerto Vita and have just recruited a refugee from Manati who knows the area thoroughly and brought out a large number of photographs of the target with him from Cuba. Unfortunately some of them were confiscated by U. S. Customs when he came through Miami, but there were still enough remaining to plan an operation. He asked if we might be able to help recover the confiscated photos. I told him that if approval to recommence operations was given, I was sure we could do so. In the meantime, I was, of course, not authorized to discuss possible future operations but interested in what AMWORLD was thinking along these lines. A-4 understood our position with the current suspension of operations.

Carl E. Jenkins
W3/SA/SO/HK

File:
AMBIDY-1 - 201
Internal ops
AMJAVA-4 - 201
Policy

SECRET

Form 807, 1964 Edition

DOCUMENT TRANSFER AND CROSS REFERENCE

SUBJECT OF DOCUMENT		DOCUMENT IDENTIFICATION		
		1. DR. FILE NO.		
		2. STAMPED DR. SOURCE DOC. SYMBOL NO.	3. DATE	
		4. SOURCE INFORMATION	5. DATE OF INFO.	6. EVALUATION
7. ANALYST	8. DATE PROCESSED	9. DISSEMINATED TO	10. DATE	
11. CODE REFERRED TO THIS FILE		12. TRANSMITTED TO BY FILE NO.		
PERTINENT INFORMATION				
13.				
ARTIME RUFSA, MANUEL 201-267437 SEX M DOB 7 CIT CUBA OCC ? RE SANTIAGO ALVAREZ SR. AND JR. EXPRESS UNHAPPINESS AT CONDITIONS AT A BASE OPERATED BY MANUEL ARTIME BUESA				
R 6410232076				
14. FILE THIS FORM IN FILE NO.  15.				

FORM 807 1964 EDITION

SECRET

(7-64)

SECRET

19 October 1964

MEMORANDUM FOR THE RECORD

SUBJECT: Telephone Conversation between AMBIDDY-1 and Martin Ferrer

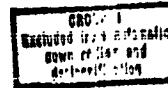
DATE : 16 October 1964 at 1045 hours

1. AMBIDDY-1 said he had met yesterday with a newspaperman named Robert Stark of the London Times. A-1 first knew Stark during his imprisonment after the Bay of Pigs and claims Stark was one of the few correspondents who was allowed to interview the prisoners. According to A-1 Stark and the governor of the Bahamas are involved in smuggling to and from Cuba. Stark smuggles salt pork into Oriente Province and brings out rum and cigars. Stark is the owner of an LCM (Andros Engineer) and an LCU (Charleston). While A-1 was jotting down the names of the vessels Stark said, "Now don't go sinking my ships." A-1 replied, "We don't sink anyone's ships." Stark is leaving today for Canada to purchase fire bricks for sugar centrals in Cuba. Stark advised A-1 that Ramon Castro, Fidel's brother, would like to defect. Stark is willing to assist Ramon exfiltrate clandestinely provided that A-1 supply a boat to meet the exfiltrating party somewhere in the open seas. Before A-1 commits his organization to such a plan he would like to have Headquarters investigate Stark. A-1 expects to meet Stark within a week and give him an answer at that time.

2. A-1 has received a report from his base that ALBUERNE is involved in a narcotics and numbers racket based in Miami. A-1 is requesting that the complete report be forwarded to Miami in order to turn it over to us.

Above conversation conducted
in presence of frequently
changed private code

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SECRET

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3. A-1 is leaving today for Puerto Rico to solicit funds from several wealthy businessmen. He then expects to leave for Santo Domingo to meet with President Reid. He will then return to New York where he will talk to some New York businessmen and attempt to collect financial support for his organization.

4. AMWORLD has been notified by the Justice Department that they have to register as agents of a foreign government. Manolin Hernandez drafted a letter in reply objecting to being called "agents of a foreign government." A-1 maintains that his organization does not report to nor is responsible to any other government, etc. A-1 was asked to send us a copy of their reply for our records.

5. A-1 commented he has hired Luis PRIETO Portar to head the AMWORLD "Brain Trust."

Raul J. Hernandez
Raul J. Hernandez
WH/SA/SO/HH

File:

Robert Stark - 201
Luis PRIETO Portar - 201
AMBIDY-1 - 201 ✓
Conversations

cc: DC/WH/SR

Above conversation conducted
in prearranged frequently
changed privacy code

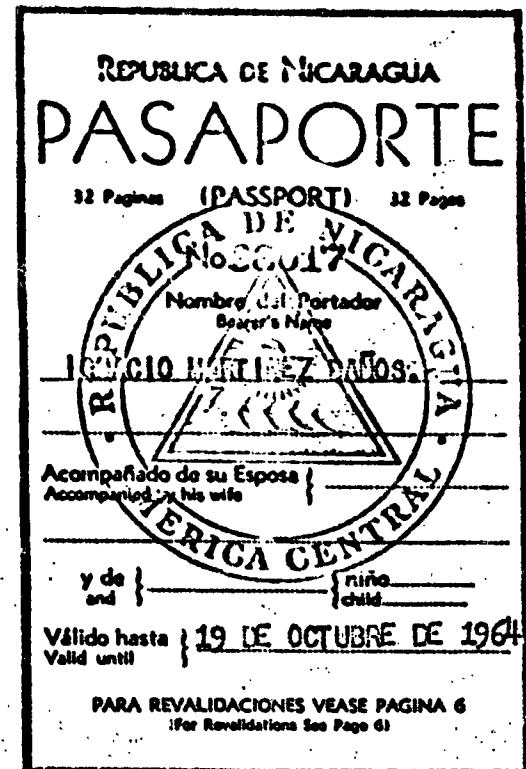
SECRET

19 Oct 1964

REPÚBLICA
DE
NICARAGUA



PASAPORTE
(PASSPORT)



2

3

PASAPORTE (PASSPORT)

(Decreto Legislativo de 3 de Agosto de 1917)
(Legislative Decree of August 3rd, 1917)

R.FONSECA-CRISTINA URQUHAR -

**Secretario de Estado en el derecho de Relaciones
Exteriores de la República de Nicaragua**

Concede este año a | JACKIE LEE

Para dirigirnos a: **NO TE - CENTRO Y SER**
Para dirigirnos a: **ANITA CAZ**

y suplica a las autoridades Civiles y Militares
que resguarden la civil and military authorities of the country
de los pases por donde transite, no le denuncien e
through which he passes, treat him not as an obstruc-
obstáculo y le presten ayuda y protección en caso necesario
and to give him such aid and protection as may be necessary
Dada en

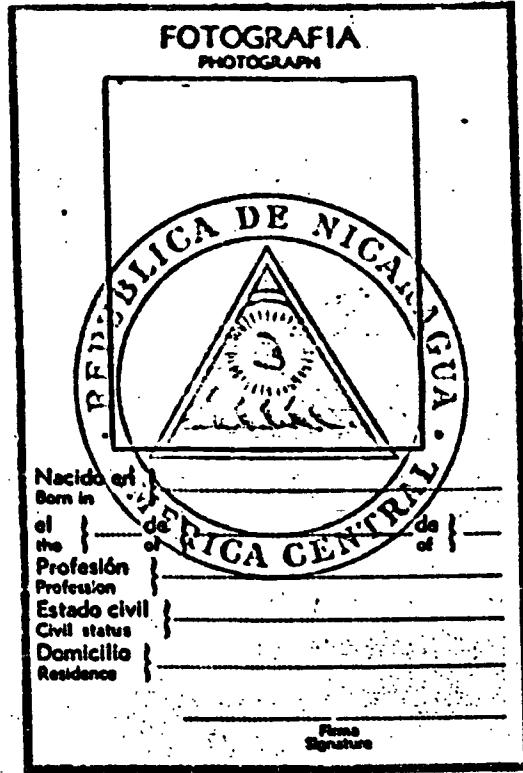
Dado en Given at
a los 19 dias del mes de Octubre 1919
a los 19 day of the month of October 1919

4

FOTOGRAFIA
PHOTOGRAPH

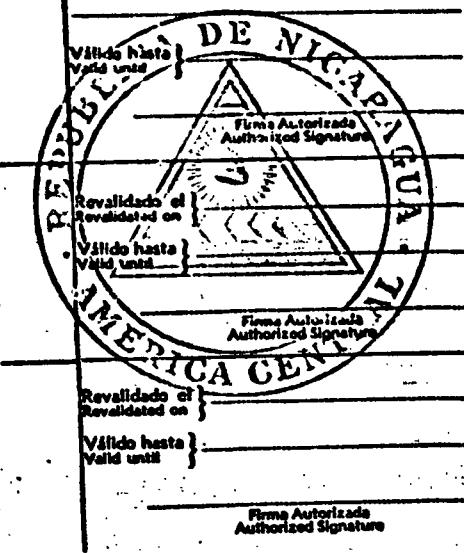
Nacido en NICARAGUA.
Born in NICARAGUA.
el 12 de Enero de 1932
Profesión COMERCIANTE.
Estado civil SOLTERO.
Domicilio LAS CONCHITAS NICARAGUA.

Página del Portador
Bearer's Signature



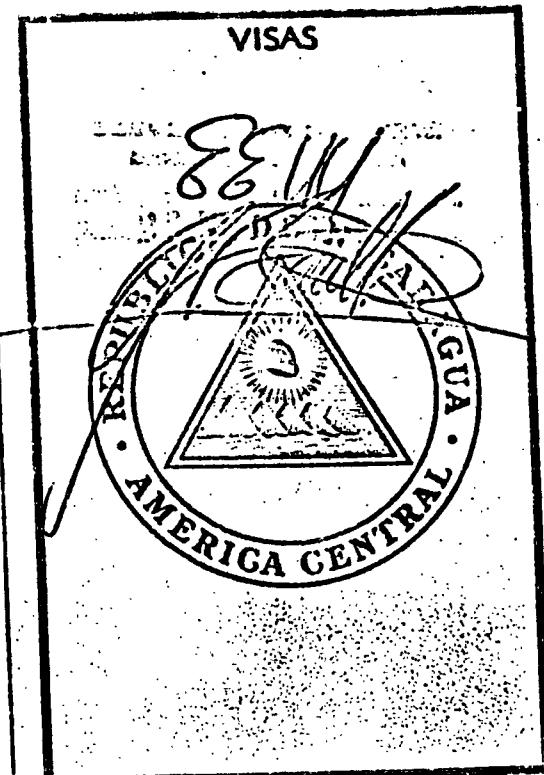
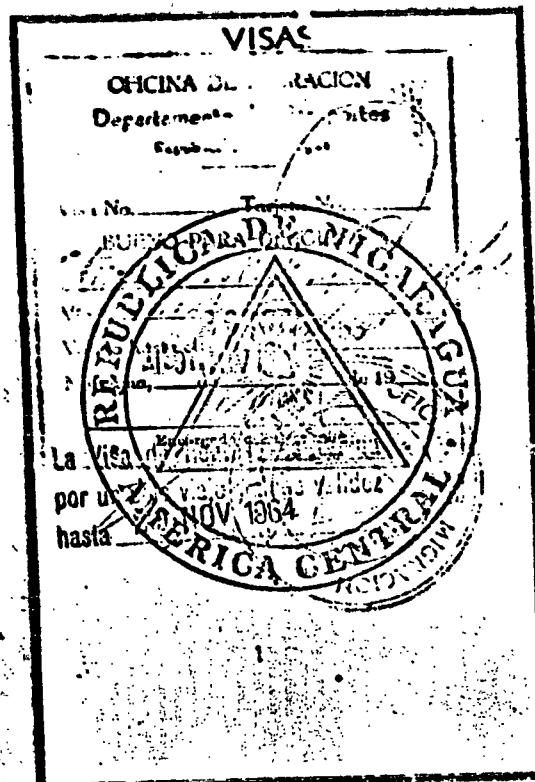
REVALIDACIONES
REVALIDATIONS

Revalidado este pasaporte de
This passport is revalidated from



OBSERVACIONES
OBSERVATIONS





10

VISAS



11

VISAS



26 October 1964

MEMORANDUM FOR THE RECORD

SUBJECT: Telephone Conversation between AMBIDDY-1
and Martin Ferrer

DATE : 25 October 1964 at 1330 hours

1. The Office of Security called the undersigned
to advise that AMBIDDY-1 had telephoned.

2. Upon returning A-1's call, he stated he telephoned
merely to inform us that he would be going into
retreat on 26 or 27 October. He will be staying at the
Diplomat Hotel in Hollywood, Miami as a guest of the
management since the manager is one of the "100 men."
A-1's rooms are 2255 and 2257. The telephone number is
WAD-8111. A-1 can be reached at that number for the
next week.

Raul J. Hernandez
Raul J. Hernandez
WH/SA/SO/HH

File:
Conversations
AMBIDDY-1 - 201

Above conversation conducted
in prearranged frequency
changed privacy code

SECRET

GROUP 1
Excluded from automatic
downgrading and
declassification

SECRET**30 October 1964****MEMORANDUM FOR THE RECORD****SUBJECT: Telephone Conversation between AMBIDDY-1 and Martin Ferrer****DATE : 30 October 1964 at 1130 hours**

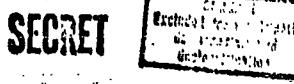
1. AMBIDDY-1 inquired as to when the organizational charts he requested from Carl would be ready. A-1 explained these charts are urgently needed to prepare future plans concerning the "dissident group." At present Nilo Messer is being groomed to go to Madrid to be the liaison after "Cuco" de Leon is replaced. "Cuco" de Leon is leaving shortly for Nicaragua to commence infiltration training.

2. As to A-1's future plans he intends to leave for Central America on Tuesday or Wednesday, 3 or 4 November. AMJAVA-4 is leaving for Nicaragua on 2 November.

3. AMBIDDY-1 is sending Rafael Garcia, Luis Grillo, and Amado Cantillo to the Dominican Republic to survey the new location which President Reid has offered AMWORLD. According to A-1 Reid has offered them an operations base much closer to Cuba than Isl. de Beata. At present A-1 is getting cost estimates on the 12 Swifts which President Reid wishes to buy in the U. S. The different estimates will be sent to President Reid with the three aforementioned AMWORLDers. According to A-1 President Reid suggested that AMWORLD could paint their Swifts the same colors as the ones which the Dominicans will have.

4. A-1, Sixto Mesa, and John Monahan intend to meet a group of wealthy American and Cuban businessmen on Sunday to solicit funds for AMWORLD. A-1 was advised to take a hard look as to the motives of Mr. Monahan before getting

Above conversation conducted
in accordance frequently
changed privacy code



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-2-

too involved with this gentleman. A-1 feels that Monahan is perhaps looking into the future to the day when Cuba will be liberated.

5. A-1 was asked to check if they had purchased the extra commo equipment and spare parts.

6. A-1 was asked to investigate if the steel planking has been paid.

7. A-1 expects a telephone call from Robert Starkie tomorrow, 31 October, concerning the fire bricks. This matter is now being handled by Manuel Hernandez.

8. A-1 was advised that Carl would have the charts by Tuesday night. A-1 will be called on Monday to make arrangements for the meeting between himself and Carl.

Raul J. Hernandez
Raul J. Hernandez
WH/SA/SO/HH

File:

Conversations
AMBIDY-1 - 201✓
Dissident group
Dominican Republic
Business Support
Sabotage Equipment

Above conversation conducted
in prearranged frequency,
changed privacy code

SECRET

301 ✓

SECRET

3 November 1964

MEMORANDUM FOR THE RECORD

SUBJECT: Telephone Conversation Between AMBIDDY-1
and Martin Ferrer

DATE : 2 November 1964, 2100 hours

1. AMBIDDY-1 stated that he, AMWORLD-2 and John Monahan met some wealthy, American businessmen on 1 November. One of the Americans was the President of the American Medical Association in Miami who promised AMWORLD medical supplies. A-1 mentioned that John Monahan spoke eloquently before the group on behalf of AMWORLD. The undersigned mentioned to A-1 that unlike Cuban businessmen, one has to take a more direct approach with American businessmen as far as money is concerned. A-1 said the reason he has not made a direct pitch for money is because he does not want to take the same approach other exile organizations do. A-1 felt he would have better success in getting a little from a lot of people instead of a lot from a few.

2. According to A-1, AMJAVA-4 will be leaving Thursday for Nicaragua.

3. A-1 advised that Nilo Messer and Antonio Sanz are now in Spain. Antonio Sanz will return after placing Nilo in contact with appropriate people in Spain. A-1 expects to meet with a representative of the dissident group within the next two weeks. A-1 did not elaborate as to the reason for his expectation. A-1 again asked if the charts he requested would be turned over to him when he meets Carl. A-1 was assured that Carl would bring the charts to the meeting.

4. "Cucc" de Leon is leaving on 3 November for Nicaragua.

5. The three man group scheduled to go to the Dominican Republic to survey the new AMWORLD site has been temporarily

Above conversation conducted
in an arranged frequency
changed privacy code

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GROUP 1
Excluded from automatic
downgrading and
declassification

~~SECRET~~

-2-

delayed due to expired visas. A-1 has obtained the necessary information for President Reid concerning the purchase of twelve Swifts. This information will be sent with the three man group. When asked why President Reid has not negotiated the purchase of the Swifts himself, A-1 stated Reid tried to but found embezzeling within his group. President Reid wants to show the naval group he can purchase the Swifts on his own.

6. A-1 expects the Philco training school to begin on 3 November. Approximately 25 AMWORLDERS will attend the school. A-1 said he had submitted a list of needed spare parts to Philco but he has not received a reply. A-1 is checking other radio corporations to obtain the lowest possible prices.

7. The MV SANTA MARIA is anchored off Monkey Point and according to A-1 is in top notch condition.

8. A-1 said he terminated his contract with station WRUL in New York. A-1 intends to use the Dominican Republic to beam long-wave programs to Cuba.

9. As of this month the "Tridente" will be reduced in size and will be published monthly.

10. A-1 was informed that Carl will arrive in West Palm Beach at 2130 on 3 November. A-1 will be expecting a call from Carl at the Diplomat Hotel.

Raul Hernandez
Raul J. Hernandez

WH/SA/SO/HH

File:
AMBIDDY-1 201
Converxations
Financial Aid
Internal Ops
DR

Abc a conversation conducted
in prearranged frequency,
changed privacy code

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4 November 1964

MEMORANDUM FOR THE RECORD

SUBJECT: Telephone Conversation between AMBIDDY-1 and Martin Ferrer

DATE : 3 November 1964 at 2130

1. After several unsuccessful attempts I was finally able to contact AMBIDDY-1 and advise him that Carl would be unable to meet him at the agreed time. I informed A-1 that Carl would contact him at 0900 on 4 November and make arrangements for their meeting.

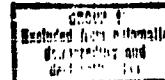
2. A-1 said he had received confirmation that the Philco school had started on 2 November.

3. During this non-operational period A-1 is having all his vessels checked out to see that they will be in good operational condition. A-1 specifically alluded to the LCM's that are presently being overhauled. The Swift GITANA is also undergoing maintenance repairs.

4. Besides setting up Nilo Messer as AMWORLD's liaison to the dissident group, Antonio Sanz is inquiring as to the departure date of the RIO CAONAO. A-1 intends to broach the topic of attacking the CAONAO with Carl. A-1 stated that he hopes that Carl will have a final decision for him on the CAONAO.

5. Feeling that A-1 was probing for a sign as to what decision has been made on the CAONAO, I changed the subject and asked A-1 if he was watching the election returns. A-1

Above conversation conducted
in prearranged frequency
changed subject and



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-2-

stated that he was, and the election was progressing nicely. Judging from the tone of A-1's voice, he apparently feels that the re-election of President Johnson and the election of Robert Kennedy would guarantee the continuation of ANWORLD.

Raul J. Hernandez
Raul J. Hernandez
WH/SA/SO/HH

File:
SUBIDY-1 - 201 ✓
Conversations
RIO CAONAO
Commo

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14 00000
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FBI - C.I. and S.A.

DOCUMENT TRANSFER AND CROSS REFERENCE

SUBJECT OF DOCUMENT		DOCUMENT IDENTIFICATION		
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		2. DISPATCH OR SOURCE DOC. SYMBOL NO.		3. DATE
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<p>ARTIME BUESA, MANUEL 201-267437 SEX M DOB 7 CIT ? OCC ? RE PLANS TO ESTABLISH A CUBAN GOVERNMENT-IN-EXILE IN BRAZIL</p> <p>019-006-041/04 UFG -06142 04 NOV 64 WAVE-04258 P2</p> <p>R 6412100287</p>				
15. FILE THIS FORM IN FILE NO. 				

SECRET

9 November 1964

MEMORANDUM FOR THE RECORD

SUBJECT: Telephone Conversation Between AMBIDDY-1 and
Martin Ferrer

DATE: 7 November at 1130 hours

1. AMBIDDY-1 stated he expects to leave for Central America on 11 November. He is waiting for the return of Antonio Sanz from Madrid. Sanz is bringing "some information" with him (A-1 did not elaborate) which A-1 wants to evaluate before he (A-1) returns to the bases.

2. A-1 reiterated his promise of obtaining a new roster for Headquarters. A-1 mentioned he is having all his materiel inventoried and expects to have the results for his meeting with Mr. Archer.

3. A-1 was notified that perhaps it would be better if he proceeded to the camps and we would contact him as to the time and place of the meeting with Mr. Archer.

4. A-1 was reminded to submit his request for the December budget.

5. A-1 said he would telephone prior to his departure for Central America.

Raul J. Hernandez

WH/SA/SO/HH

File: Telephone Conversations
Antonio SANZ 201
A-1 201✓
Finance

Above conversation conducted
in prearranged frequency
changed privacy code

SECRET

REF ID: A6741
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downgrading and
declassification

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A-1

12 November 1964

MEMORANDUM FOR THE RECORD

SUBJECT: Telephone Conversation Between AMBIDDY-1
And Martin Ferrer**DATE :** 12 November 1964, 1100 hours

1. AMBIDDY-1 reported that Antonio Sanz returned from Spain last night (11 Nov) and according to Sanz a representative of the dissident group will be leaving for Spain on 15 Nov. Sanz does not have the name of the representative, however, all indications point to Dr. Faustino Perez. A-1 has only talked to Sanz briefly by phone and therefore did not have all the details of Sanz trip.

2. According to A-1 Sanz talked to the captain of the Caonao and the captain is more willing than ever to deliver the ship to AMWORLD. The Caonao will leave Spain on 16 Nov. A-1 said he would like a reading from Carl on the status of the Caonao operation.

3. A-1 stated that some of his men who were formerly in the U. S. Army are being recalled. A-1 requested that we do whatever possible to remedy this situation. A-1 was advised to submit a list of names of the individuals involved and we would review the problem.

4. Santiago Alvarez Rodriguez is encountering difficulties with IANS in leaving the U. S. A-1 did not elaborate as to the difficulty, however, it appears to be a matter of not having the proper papers.

5. A-1 said he is very pleased by the intelligence section in Miami, particularly the debriefing of Cuban exiles. A-1 promised to give Headquarters copies of all intelligence reports.

Above conversation conducted
in prearranged frequently
changed privacy code

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GROUP 1
Excluded from automatic
downgrading and
declassification

SECRET

-2-

6. A-1 commented that there is a possibility that AMWORLD may get a free ship from Babun. A-1 feels that by acting as an intermediary for the JOANNE, Babun will give AMWORLD another ship after obtaining possession of the JOANNE.

7. A-1 expects to leave within the next few days for Central America. He will see AMJAVA-4 and get up-to-date reading on the situation at the camps and obtain the inventory from A-4. A-1 would like to see Carl in the U. S. rather than in Panama.

8. A-1 claimed that the \$18,000 balance due on the JOANNE repairs had been sent to Ramsey Scarlett.

9. A-1 was advised that Carl would meet him tonight (12 Nov) in West Palm Beach. A-1 should make reservations at a motel in that city and call Headquarters at 1600 hours today with the name of the motel.

Raul J. Hernandez

Raul J. Hernandez
WH/SA/SO/HH

File:
AMBIGIDY-1 201
Conversations
Internal Op
Rio Caonao

Above conversation conducted
in rearranged sequence,
changed privacy code

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16 November 1964

MEMORANDUM FOR THE RECORD**SUBJECT:** Telephone Conversation Between AMBIDDY-1
and Martin Ferrer**DATE:** 16 November 1964, 1100 hours

1. AMBIDDY-1 expects to leave on 17 November for Costa Rica. He has received an urgent message that Cornelio Orlich would like to talk to him. A-1 hopes to return to Miami as soon as possible to be on call for the meeting with representative of the dissident group.

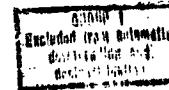
2. AMJAVA-4 is leaving on the same flight as A-1 but will go directly to Managua. A-4 would prefer to meet with Carl on 19 November in Panama. A-1 was requested to tell A-4 to bring the plans for Jucaro, Casilda, Santa Cruz del Sur and Guayabal to the Panama meeting. A-1 will tell A-4 the address of the Panama safehouse.

3. A-1 said he received word from Managua that several shots were fired at his private automobile yesterday (15 November) in Managua. Fortunately the bullets went astray and the driver was unharmed. The assailant or assailants escaped.

4. According to A-1 approximately a week or so ago the Guardia Fiscal in Parismina, which is near Tortuguero, saw a light out at sea. When they went to see what it was they saw a submarine. A-1 also claims that the U.S. Army is in that area building a tower of some sort.

5. A-1 believes the weapons ordered by Costa Rica from the U.S. were requested by Pepe Figueres under the pretext that of turning them over to Manolo Ray. A-1 opined that some may be given to Ray but a great bulk of the arms would be kept by Figueres.

Above conversation conducted
in prearranged frequency
changed privacy code

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-2-

6. A-1 said he is mailing the plan for the RIO CAONAO defection and the silencer developed by AMWORLD to Headquarters this very day.

7. A-1 was asked to call Headquarters upon his return from Costa Rica. A-1 agreed to do so.

Raul J. Hernandez
Raul J. Hernandez
WH/SA/SO/HH

File: AMBIDDY-1 201 ✓
Telephone Conversations
AMJAVA-4 201
Costa Rica
RIO CAONAO
Operations.

Above conversation conducted
in unarranged frequently
changed privacy code

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17 November 1964

MEMORANDUM FOR THE RECORD

SUBJECT: Telephone Conversation Between AMBIDDY-1,
Norman Santell and Martin Ferrer

DATE : 17 November 1964, 1030 hours

1. AMBIDDY-1 stated William King will advise Philco today that AMWORLD no longer wished to employ Jim Lee. A-1 sent a message to the base for Lee to return to the U. S.

2. A-1 reported he received a call from Nilo Messer who said that Robreno wished to see AMJAVA-4 to make arrangements for the "summit" meeting. It appeared to A-1 that the representative of the dissident group in Spain wants to deal with a higher ranking person than Nilo Messer. Nilo has received indications that the representative has already left Cuba and is somewhere in Europe on a shopping spree. Mr. Santell suggested perhaps it would be best for AMJAVA-4 to arrange the meeting in Paris rather than in Spain. A-1 agreed. AMJAVA-4 will probably leave for Spain on 21 November after his meeting with Carl.

3. A-1 was advised that HQS had received a report stating Guayo is in possession of photographs presumed to be on the ARANZAZU affair that were not turned over to AMWORLD for censorship. A-1 stated that Guayo was searched thoroughly after the ARANZAZU affair and doubts he has photographs in his possession unbeknownst to AMWORLD, however, A-1 will investigate. We advised A-1 we had no way of checking the veracity of the report, however, wanted to alert him of the possibility. A-1 said Guayo is now in Caracas working for "Ephemera Libre."

4. A-1 plans to leave for Costa Rica on 19 November. We informed him that one of the topics which Cornelio Orlich may discuss is the increasing publicity being generated by the training of Cuban exiles in that country.

5. A-1 was asked to call HQS on his return from Costa Rica.

Above conversation conducted
in prearranged frequency
changed privacy code

File #
A-1 201 Conv
INT OPM, ARAN, C.R.

Raul J. Hernandez
Raul J. Hernandez
WH/SA/SO/BH

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31 November 1964

MEMORANDUM FOR THE RECORD

SUBJECT: Telephone Conversation Between AMBIDDY-1,
Norman Santell and Martin Ferrer

DATE : 20 November 1964, 2100 hours

1. AMBIDDY-1 called to say he had just returned from Costa Rica where he spoke to President Orlich and his brother. The Orlichs made no mention of expelling A-1, but, to the contrary, are willing to continue to support AMWORLD. The only request made by President Orlich was that the arms barge be taken out of Costa Rica for fear the Communists would learn of its existence. A-1 said he will comply.

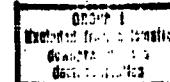
2. The topic of conversation quickly changed to the newspaper article by Hal Hendrix which greeted A-1 upon his arrival from Costa Rica about A-1's involvement in smuggling activities in Costa Rica. We informed A-1 that Al Burt had intended to publish a similar story but was scooped by Hendrix. We asked A-1 what he thought of the idea of having President Orlich issue a complete denial as soon as possible of A-1's smuggling activities in Costa Rica. A-1 felt a presidential denial was essential in counteracting this damaging publicity. A-1 stated he would call President Orlich the first thing in the morning on this matter. Another suggestion to neutralize Hendrix's story was for A-1 to see Al Burt as soon as possible and categorically deny the story. If need be A-1 might want to invite Burt to Costa Rica to speak to President Orlich and confirm A-1's side of the story.

Above conversation conducted
in presence of frequently
changed security code.

File:
A-1 201
Conv
C. R.
Press

Raul J. Hernandez
Raul J. Hernandez
WH/SA/SO/MM

SECRET



SECRET

21 November 1964

MEMORANDUM FOR THE RECORD

SUBJECT: Telephone Conversation Between AMBIDDY-1,
Norman Santell and Martin Ferrer

DATE : 21 November 1964, 1030 hours

1. The undersigned telephoned AMBIDDY-1 to see if he had an opportunity to speak with President Orlich. A-1 stated he was unable to reach the President but did speak to the President's secretary. The secretary advised A-1 that he was unaware of the Hendrix story but he assured A-1 the entire story would be denied. A-1 informed Headquarters that he has sent Manolin Hernandez with a copy of the story to see President Orlich. A-1 commented that the initial reaction in Miami to the story was one of indignation toward Hendrix.

2. When we called A-1, he was on his way to see Al Burt. A-1 had already talked to Burt by phone and they had made an appointment to discuss the entire matter this morning. Burt told A-1 on the phone that rumors concerning A-1's activity had reached him. A-1 said he would tell Burt that President Orlich would issue a complete denial of the Hendrix allegations. A-1 was cautioned not to forget that Burt is primarily a newspaperman and therefore to be on guard as to what he tells Burt.

3. A-1 was advised to take a firm stand against Philco concerning Jim Lee. Lee should be sent back to the U. S. as soon as possible. A-1 was requested to reject any proposals by Philco for consultations in Miami or Central America concerning Lee. A-1 should tell King to telephone Philco on Monday (23 Nov) and make it quite clear AMWORLD cannot afford to pay needless travelling expenses of Philco representatives. King should also ask for a price list for the spare parts. If Philco cannot comply, A-1 was advised to them he will buy his spare parts elsewhere.

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Above communication conducted
In prearranged frequency
changed arbitrary code

14 00000
SECRET

-2-

4. According to A-1 Babun has loaned a PC to A-1.
He promised to send us data on the boat.

Raul J. Hernandez
Raul J. Hernandez
MH/SA/SO/MM

File:
a-1 201 ✓
Conversations
CR
Press
Commo
Maritime

Above conversation conducted
in prearranged frequency
changed privacy code.

SECRET

FS
23 November 1964

MEMORANDUM FOR THE RECORD

SUBJECT: Telephone Conversation Between AMBIDDY-1
and Dick

DATE: 21 November 1964, 1600 hours

1. At 1600 hours, 21 November 1964, I complied with AMBIDDY-1's request relayed through the Security Office that he be called on FRanklin 3-1568 in Miami.

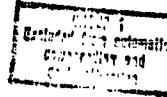
2. AMBIDDY-1 described reports reaching him of mysterious phone calls being received by various Cubans in Miami, mostly MRR personnel or wives of MRR members. These calls started during the morning of 21 November. The caller was a North American who spoke Spanish and gave his name as "Bill Jones." The caller sought in each case to solicit derogatory information about AMBIDDY-1, with particular emphasis on A-1's alleged participation in smuggling activities. The caller offered money (A-1 did not know how much) for derogatory information.

3. A-1 mentioned two persons who received calls: AMYUM-19 and the wife of Manolin Hernandez. In addition to smuggling, A-19 was also asked if the reason he broke with A-1 was because of the marriages of AMJAVA-4 or A-1. A-19 denied these allegations to the caller.

4. A-1 said that the story spreading through Miami as a result of these calls is that the U.S. Government -- and probably CIA specifically -- was attempting to discredit A-1 as a basis for denouncing him. A-1 was obviously distressed by these speculations, and in reporting them he was in reality asking the question. I gave him my unequivocal assurance that the U.S. Government was not responsible for the calls.

5. I asked A-1 who he thought was responsible and he said "maybe the Miami Herald." A-1 said that he had seen Al Burt earlier in the day (Saturday, 21 November) and that Burt was angry because he felt that the recent

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TV coverage of the AMWORLD camps and activities in Central America was a scoop to which he was rightfully entitled because of a prior agreement with AMBIDDY-1. A-1 gave Burt his side of the stories being circulated about AMWORLD's contraband activities. A-1 felt that he made an impression. Burt was particularly interested in a denial of these charges which A-1 told Burt would be issued very soon by the President of Costa Rica (see following paragraph). A-1 said he thought that he may have mollified Burt somewhat by having the meeting and by promising him scoops in the future, but that Burt still holds a grudge against him.

6. AMBIDDY-1 said he was expecting momentarily a call from Manolin Hernandez in San Jose. Hopefully, Hernandez' call would be to read a public letter from President Orlich officially denying the presence of AMWORLD training camps in Costa Rica and disavowing charges that A-1 or his people were involved in smuggling. Orlich promised A-1 to issue such a letter. When he gets a copy of this letter A-1 intends to hold a press conference and use it as the heart of his effort to set the record straight about charges that AMWORLD is involved in running contraband.

7. I told A-1 that we would look into his report on the mysterious phone calls and that we would let him know what we find out.

Richard B. Beal
Richard B. Beal
WH/SA/SO/HH

cc: MOB

File: Telephone Conversations
AMBIDDY-1 201 ✓
Publicity
Rumors

SECRET

DISPATCH

S E C R E T

PROCESSING

TO: Deputy Chief, WH/SA

cc: Chief, WHD

Chief of Station, Santo Domingo

FROM: Chief of Station, JMWAVE

INFO: Operational/TYPIC

AMBIDDUY-1's Involvement in Haitian Affairs

ACTION REQUIRED: REFERRED

ACTION REQUIRED: None; for your information and files.

1. On 18 October 1964 AMCARBON-1 accidentally met AMBIDDUY-1 in the lobby of the hotel El Ambassador in Santo Domingo, Dominican Republic. AMBIDDUY-1 was obviously embarrassed by the fact that he had the chance meeting with AMCARBON-1 when he asked that AMCARBON-1 not tell anyone in Miami that he had seen AMBIDDUY-1 in Santo Domingo. As an aftermath of this chance meeting, AMCARBON-1 arranged for AMBIDDUY-1 to talk with Mr. Bernard DIEDERICH, a freelance newspaperman residing in Santo Domingo. The purpose of this conversation was to enable Diederich to give AMBIDDUY-1 a briefing on the Haitian scene and, as a follow-up, arrange a meeting between AMBIDDUY-1 and certain Haitian exile leaders. The meeting with the Haitians took place at Diederich's house on 18 October 1964. The meeting was attended by AMCARBON-1, AMBIDDUY-1, a Cuban known as Nilo Jesus MESSER Pujol (AIA-294655), Father BRAJEUX and Sylvia WADESTRANDT. After a preliminary series of discussions, AMBIDDUY-1 adjourned to another room of the Diederich house to talk privately with Father Brajeux and Sylvia Wadestrandt. At the end of this private meeting, AMCARBON-1 had an opportunity to talk with AMBIDDUY-1. As a result, AMCARBON-1 learned that, as of 18 October 1964, it was AMBIDDUY-1's intention to help the Haitians in their fight against Duvalier. AMBIDDUY-1 believed that he could furnish the arms and the transportation for the invasion of Haiti by Haitian exiles. AMBIDDUY-1 was also talking about committing some of his troops to such an invasion as he felt that, if he were successful in this venture, he could obtain significant base rights for his organization in Haiti. These bases would in turn be used by AMBIDDUY-1's operations against PERUIN.

2. On the morning of 19 October 1964, AMCARBON-1 had an opportunity to talk in Santo Domingo with a Cuban called Rafael Garcia who is AMBIDDUY-1's representative in the Dominican Republic. Garcia indicated that he doubted that AMBIDDUY-1 would participate in a Haitian invasion. In this connection, Garcia made the point

(continued) 201-267437

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that AMBIDET-1 had a tendency to get excited about various projects, but he very rarely followed through on any project. As a result, Garcia felt that the Mailians could not count on AMBIDET-1.

Andrew E. HOFFMAN

St.

SECRET

24 November 1964

MEMORANDUM FOR THE RECORD

SUBJECT: Telephone Conversation with AMBIDDY-1 and
Martin Ferrer

DATE : 24 November 1964, 0630 hours

1. AMBIDDY-1 said he is leaving this morning at 0800 for Nicaragua. He expects to return to Miami within three to four days. A-1 requested that the information Carl had promised be ready upon his return. Although A-1 would not say specifically what the information was, he apparently was referring to detailed maps of the coming operation.

2. A-1 reported the 100-man squad has been increased to 120 men.

3. A-1 asked if it would be possible to obtain Esso road maps of Havana pinpointing strategic locations such as G-2 headquarters, communications centers, police precincts, etc. A-1 also requested a list of all prisons in Cuba and other pertinent data on the prisons.

4. A-1 has compiled a breakdown on how he would like to arm the 120 men. He is sending this information directly to the Lastra address before he departs for Nicaragua today.

5. A-1 commented he had received a cable from President Orlich branding the Hendrix story a complete falsehood. A-1 is circulating this cable around Miami in order to clear himself of the smuggling charges.

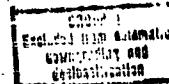
6. A-1 said he would call HQS upon his return.

Raul J. Hernandez
Raul J. Hernandez
WH/SA/SO/HH

File:
A-1 201
Conversations
"Palace Guard"
CR
Press

Above conversation conducted
in progress frequently
without privacy code

SECRET



(18)

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PERSONNEL IDENTIFIED				
FROM <i>SP4L 19565</i>	ACTION <i>AC JUN 15 23</i>	ADVANCE COPY <input type="checkbox"/> FUGITIVE <input type="checkbox"/> SICK <input type="checkbox"/> BLOTTED <input type="checkbox"/> TUNED	TO UNIT <i>C1</i>	TIME SI 5P <i>07:52</i> SEC 8S
INFO <i>VR FILE, DDP, clark</i>				

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MANUEL ARTIME BUESA LEFT COSTA RICA 28 NOV PAA 5B1.

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SECRET

SECRET

7 December 1964

MEMORANDUM FOR THE RECORD

SUBJECT: Telephone Conversation with AMBIDY-1

DATE: 7 December 1964

1. I telephoned Subject in Miami and introduced myself as "Andres" and indicated that I was calling for "Carlos" who wished to know what Subject wanted as per his telephone call to "Martin" on the previous Friday.

2. Subject indicated that he had three messages he wished to deliver and they were as follows:

a. The President of Panama had given his whole-hearted consent to "Manolin" (Hernandez) in helping them establish their operations in Panama. This message was then relayed to "Carlos" (Jenkins) who was listening in on the conversation.

b. Subject then stated that he had promised to pay the passage of the individuals who were supposed to take part in the meeting set for 10 December. He indicated that he was worried since he had not heard from the "Flechero." This was related to Carlos who indicated that the money had been approved but as yet had not been forwarded to the bank. This information was relayed to A-1 and he seemed satisfied.

c. Subject stated that he was leaving for Nicaragua tomorrow. He also asked if we had read his message to the base. I said that we had not and he then gave me the gist of his message to the effect that the "foreign power" had as yet not vetoed their plans but that in the event they did, he (A-1) would have to drastically revise his policy of adherence to their views. Subject stressed that the message was only to bolster the morale of the men.

Andrew D. Rohlfing
Andrew D. Rohlfing
WH-SA/SO/HM

File:
A-1 201
Conversations
Panama
Finances
Op VICTORIA

SECRET

GROUP 1
Excluded from automatic
Date 1 1964
Classified until 1968

Above conversation conducted
in prearranged frequency.
changed privacy code

SECRET

7 December 1964

MEMORANDUM FOR THE RECORD

SUBJECT: Telephone Conversations with AMBIDDY-1
and Martin Ferrer

DATE: 6 December 1964, 1630 and 1645 hours

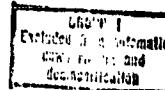
1. After being notified by the Office of Security that AMBIDDY-1 had called on the emergency number, the undersigned returned A-1's call. A-1 stated he had just received a message from AMJAVA-4 saying the SANTA MARIA was located at Cerrania Bank due to bad weather and would remain six hours at that position. In the message A-4 said he would comply with the order given him to return, however, requested Operation VICTORIA be reconsidered. A-1 requested that the following portion of A-4's message be passed to appropriate persons: "I (A-4) request the suspension of Operation VICTORIA be reconsidered for the good of future operations because a person who loses faith in operations, believing himself subject to foreign decisions, is a demoralized person." In light of A-4's message, A-1 urged that suspension of Operation VICTORIA be reconsidered. I assured A-1 that his message would be delivered.

2. DC/WH/SA was notified of the above message. On the instructions of DC/WH/SA the undersigned called A-1 and advised him that the contents of his conversations with Mr. Santell (Sanchez) on 5 December were still valid and our position regarding Operation VICTORIA remained the same.

Raul J. Hernandez
WH/SA/SQ/HH

File:
A-1 201
Conversations
Op VICTORIA

SECRET



Above conversation conducted
in prearranged frequently
changed privacy code

SECRET

7 December 1964

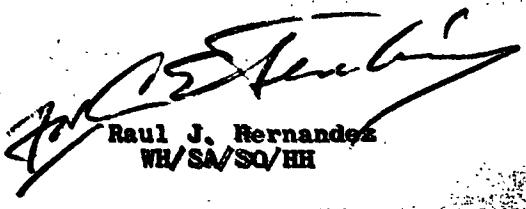
MEMORANDUM FOR THE RECORD

SUBJECT: Telephone Conversation Between AMBIDDY-1
and Martin Ferrer

DATE: 3 December 1964

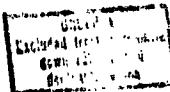
1. AMBIDDY-1 called from Houston, Texas to say that he had just arrived from Central America. A-1 was advised to proceed to New York to meet with Mr. Santell and Carl. A-1 agreed to get on the first plane to JFK airport.

2. A-1 stated that VICTORIA was the operation against Casilda. A-1 stated that AMJAVA-4 had gone on the operation. A-1 contended that he could no longer hold his troops back. A-1 asked if approval had been given to the CAONAO operation and to the Casilda operation. The undersigned stated that Mr. Santell would discuss the entire matter with him at their meeting. A-1 expects to return to Miami for a few days and then go to the Dominican Republic for the CAONAO operation. After the CAONAO operation, A-1 will go to Paris to meet with the representative of the dissident group.


Raul J. Hernandez
WH/SA/SQ/HH

File:
AMBIDDY-1 2C1
Conversations
Operations

SECRET



Above conversation conducted
in prearranged frequency
changed privacy code

00000
S December 1964

MEMORANDUM FOR THE RECORD

SUBJECT: Juan Antonio CANCELA Gomez (201-758689)
Possible Connection with Cuban G-2

1. On 7 December 1964 during the course of a telephone conversation with AMBIDDY-1, he indicated that it was possible that Subject was connected with the Cuban G-2. AMBIDDY-1 suspects that CANCELA was sent by the G-2 to penetrate the ANYUM training camps.

2. Subject spent one month at the training camps and then asked to return to Miami. Upon his return to Miami he then made plans to travel to Nassau alleging that he had to go to Nassau in order to obtain a permanent visa to enter the U.S. AMBIDDY-1 had this story checked out with the U.S. IANS and discovered that this was not necessary to enter the country on a permanent basis. AMBIDDY-1 therefore concluded that Subject was attempting to go to Nassau and eventually work his way back to Cuba.

3. No further information was obtained on this matter.

Andrew D. Ruhlfing
WH/SA/SD/MM

cc: WH/SA/C
WH/Security

File: CANCELA 201
AMBIDDY-1 201
CI & Sec

SECRET

