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THE WHITE HOUSE
WASHINGTON

~~TOP SECRET~~ - SENSITIVE

December 27, 1963

MEETING WITH THE PRESIDENT - December 19, 1963 - 10:55 A. M.

SUBJECT: Cuba

Others Present: Acting Secretary Ball; Ambassador Thompson; Deputy Under Secretary Johnson; Assistant Secretary Martin; John Crimmins; Acting Secretary Gilpatric; Secretary Vance; General Wheeler; Secretary Dillon; Acting Director General Carter; Richard Helms; Desmond Fitzgerald; Deputy Director Wilson; McGeorge Bundy; William Moyers; George Reedy; Gordon Chase.

The primary purpose of the meeting was to brief the President in depth about some of the basic Cuban issues. Essentially, the discussion described where we have been since January, 1963, where we are now, and where we can go. (An outline which was prepared for the discussion is attached.)

1. A large part of the meeting was devoted to a briefing by Mr. Fitzgerald and a general discussion on CIA's present covert program and on the U. S. Government's economic denial program. Essentially, this part of the discussion covered 6 areas.

(a) Mr. Fitzgerald described covert intelligence activities directed against Castro's regime, including the numbers, characteristics, and geographic spread of CIA assets within Cuba.

(b) Mr. Fitzgerald described CIA-controlled radio programs and other propaganda media directed at Cuba which have been used to encourage low risk, simple sabotage and other forms of active and passive resistance, and to stimulate tension within the regime and between Cuba and the Soviet Bloc. He noted the recent increase of spontaneous anti-regime propaganda inside Cuba.

(c) Mr. Fitzgerald said that CIA has worked with State and other agencies to deny to Cuba commodities from the Free World which are critical to the economy. The results have been mixed. For example, while we have been able to penetrate certain European firms which deal with Cuba, we also know that equipment vitally needed in Cuba, some of U. S. origin, reaches the island via Canada and Great Britain.

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By UGW

The group agreed that this is not an easy problem; Mr. Ball said that our allies have always been reluctant to interfere with private traders and have always had a different view of Free World/Bloc trade than we have had. Nevertheless, it was also agreed that we should intensify our efforts and that there are still things we can do. First, Mr. Crimmins noted that we could consider ways in which the new amendment to the Foreign Assistance Authorization Act (prevents assistance to any country whose planes or ships carry commodities to Cuba) can be used to reinforce our economic denial program. Second, Mr. Ball said that the question of Canadian trade in sensitive items would be taken up with the Canadian Minister of Economics and Trade on December 20; later, Mr. Ball will talk to other appropriate Free World governments also. Third, the President directed that the agencies prepare a detailed memorandum (including the names of companies and commodities involved in Free World trade with Cuba) which, inter alia, will be useful for his forthcoming talks with Prime Ministers Home and Pearson.

(d) Mr. Fitzgerald spoke about CIA's program to identify, seek out, and establish contact with potentially dissident non-Communist elements in the power centers of the regime with a view to stimulating an internal coup which would dislodge Castro. Our effort is based on the premise that a popular uprising in Cuba is unlikely, primarily because Castro is capable of controlling such an uprising. Instead, we are trying to penetrate the Cuban regime's power structure. In this regard, we have had only limited success. On the one hand, we have been able to make an important penetration in the Cuban army. On the other hand, the dissident elements, while willing to act, are not yet willing to act together. They simply don't trust each other, mainly because Castro has been successful, in the past, in penetrating dissident groups.

The President asked whether there is any significant insurgency within Cuba. Mr. Fitzgerald said there is some but that there is no national movement on which we can build. Mr. Bundy noted that the insurgents generally seem to suffer heavy losses at Castro's hands.

(e) Mr. Fitzgerald said that CIA has directed four small scale, externally mounted sabotage operations for the purpose of stimulating resistance and hurting Cuba economically. The discussion then focussed on a proposed attack on a major target -- the Matanzas power plant. Mr. Fitzgerald noted that this would have a significant favorable impact, psychologically as well as economically; the dissidents would view the attack as evidence that the Johnson Administration is not giving up the fight for Cuba.

But there are a number of disadvantages to the power plant attack. First, the chances of total success (e. g. target destroyed, no one caught) are less than 50-50 while the chances of partial success (target destroyed, people caught) are only somewhat better than 50-50. Second, if the raiders get caught, they will undoubtedly admit their CIA connection. (General Carter believed this point was weak -- we get blamed for everything that happens in Cuba anyway.) Third, such an attack will be highly visible and will have a high noise-level. In this regard, Mr. Bundy said that we might want to lie low for now so that Castro, presently under a strain because of the arms cache discovery, will not be able to shift the accusing finger in our direction. Fourth, Mr. Ball said that it might slow up the withdrawal of Soviet troops from Cuba. Fifth, Ambassador Thompson said that the timing seemed bad -- the Soviets now appeared to be in a situation where they may be thinking of cutting back aid to Cuba. They will draw a lot of conclusions from the first acts of President Johnson. An attack on a big Cuban target could give Castro important leverage in his negotiations for more Soviet aid.

General Wheeler thought that, to improve the chance of success, we might want to try to hit the Matanzas power plant from the air; it should be noted that there have already been some free-lance raids over Cuba. Alexis Johnson pointed out that an air strike might cause retaliation against one of our U-2 flights.

In response to a question, Secretary Vance indicated that he was in favor of an attack on Matanzas.

It was decided that there will be no air or ground attack on the Matanzas power plant at this time, primarily because of its high probability of failure and because of the Soviet dimension. However, it was agreed, in principle, that low-risk sabotage efforts could go forward along with the planning necessary to develop an air strike capability.

(f) Mr. Fitzgerald described CIA's program in aiding two autonomous Cuban exile groups, which will be operating from outside the U.S. One group, which is headed by Manuel Artime, will start operating out of Costa Rica and Nicaragua in February; the other group is headed by Manolo Ray who is somewhat to the left of Artime, but probably has the best following within Cuba. Both of these groups will conduct externally mounted raids on Cuba, and will send teams inside Cuba to conduct internal sabotage and to establish contact with dissidents. Mr. Fitzgerald added that there are some disadvantages in these operations -- the groups aren't trained by CIA and they operate outside of CIA control. But there are advantages too -- they operate from outside United States territory and we will have relatively little trouble denying U.S. association with these groups.

Mr. Bundy noted, and Mr. Fitzgerald agreed, that these groups operate a long distance away from the target; we cannot expect too much effect from their raids.

2. Mr. Bundy gave a very quick briefing on some other aspects of the current Cuban situation. (The group paused to read the attached CIA situation brief.)

(a) With respect to Soviet/Cuban military strength on the island, Mr. Bundy noted that one of our primary objectives is to ensure that there is no reintroduction of offensive missiles. The camera is our best inspector and, so far as we know, there are no offensive missiles now in Cuba. Mr. Bundy added that we are concerned about the transfer of SAM control to the Cubans in about mid-1964, and we will have to watch this development carefully. As for the Soviet troops, the general consensus of the group was that the big withdrawals are over and that, from here on, the withdrawals will proceed more slowly.

(b) Mr. Bundy noted, in passing, our anti-subversion efforts. The key to the problem is to build up the will and capabilities of the Latin American countries to counter the threat. Our efforts in the field of controlling travel between Latin America and Cuba are also important.

(c) Mr. Bundy described briefly the very tenuous, sensitive, and marginal contacts we have established with Castro himself. The initiative is on Castro's part and we are essentially faced with a decision as to whether or not we are prepared to listen to what Castro has to say. Mr. Ball noted that such U.S. / Cuban contacts could have an unsettling effect on Soviet/Cuban relations.

3. Mr. Bundy described several unilateral and bilateral courses of action we can take in the future to make life difficult for Castro.

(a) Air attacks, unleashing of exiles (allowing them to use U.S. territory as a base for attacks on Cuba), and low level flights are aggressive-type acts which have distinct advantages but which are similar in that they all tend to raise the noise-level. Low level flights, for example, would provide us with more intelligence and would irritate and harass Castro. At the same time, they could precipitate the shooting down of a U-2.

(b) Mr. Bundy said that we can take further unilateral shipping measures -- e.g. close ports and deny U.S. -financed commodities to lines engaged in Free World shipping to Cuba. He noted, however, that we have found through past experience that bilateral measures are more effective in reducing Free World shipping to Cuba. At the same time, we should not deceive ourselves.

go down to Cuba during the Christmas holidays and that Justice Department recommends that we lift our travel restrictions. If we don't, we will probably be obliged to put many of the students in jail when they return; this will be embarrassing. Mr. Ball added that the State Department is tentatively opposed to lifting the travel restrictions because of the effect it will have on Latin American countries. We have been trying to get the Latin Americans to impose restrictions on travel to Cuba; if we lift our own restrictions, our position will be considerably weakened. Mr. Ball said that he would be meeting with the Attorney General later in the day to talk about the subject.

Tentatively, the President indicated that he favored maintaining the travel restrictions and a policy of selective prosecution.

Gordon Chase

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TAB 5 CIA Paper -- Possible Actions Against Cuba

TAB 6 NSAM 220 and Amendment

THE WHITE HOUSE

WASHINGTON

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By us, NARA, Date 5-24-02

December 19, 1963

Outline of Discussion for Meeting on Cuba
with the President - 11 AM

1. Summary estimate of situation in Cuba (CIA).
2. Summary of U.S. policies currently in operation (Bundy).
3. Summary of current covert program (CIA)
4. Outline of other possible additional actions:
 - a. Unilateral measures
 1. Air attacks
 2. Unleashing of exiles
 3. Military feints
 4. Low-level flights
 5. Further restrictions on free world shipping.
 6. Presidential statement
 7. Talks with the Soviets and Cubans
 8. Other forms of increased covert action.
 - b. Bilateral or multilateral measures
 1. Free world trade
 2. Free world shipping and air service
 3. Anti-subversion program.
5. The Venezuelan arms cache and new measures it may permit and justify. (CIA and Mr. Martin)
6. Special problem of travel to Cuba.

POSSIBLE FURTHER UNILATERAL AND BILATERAL
ACTIONS TO INCREASE PRESSURE ON CUBA
(SHORT OF USE OF FORCE)

I. Unilateral

A. Air attacks against carefully selected, important economic installations by autonomous Cuban exile group(s) operating from bases outside the United States.

(Capability to be provided to autonomous group(s) by CIA on "plausible denial" basis. Authorization for such operations has been requested in past but not granted.)

1. Advantages

- Possible substantial direct economic effects
- Indirect economic effects (maintenance of military alert with consequent partial tying up of labor force)
- Positive effects on morale of anti-Castro elements and waverers within Cuba
- Clear demonstration to Castro of determination of opposition

2. Disadvantages

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2. Disadvantages

- Technical difficulties and cost of providing capability
- Uncertainty of successful execution
- Risk of attributability
- Direct conflict with our well-known, public opposition to air attacks
- Marked raising of noise level
- Possible Soviet reaction, including negative effect on troop withdrawals
- Possible reaction against air surveillance

B. Selective covert relaxation of U.S. controls against Cuban exile groups in Florida wishing to undertake sabotage and infiltration activities.

(Involves discreet neutralization of obstacles to the operations of such groups established by United States enforcement agencies).

1. Advantages

- Possible additional (but minor) direct economic damage
- Possible indirect economic effects
- Provision of some screen for CIA's own operations

Possible

- Possible dilution of Cuban defenses of benefit to CIA operations
- Positive effects on Cuban exile morale
- Some positive effects on morale of anti-Castro elements and waverers within Cuba
- Method of signalling to Castro change to "harder" U.S. policy

2. Disadvantages

- U.S. acquiescence quite evident
- Direct conflict with our statements and actions concerning U.S.-based exile raids
- Uncertainty of control over choice of targets (e.g., Soviet vessels)
- Raising of noise level
- Possible negative effects on Soviet withdrawal of military personnel

C. Military Feints

(Movement of U.S. air and surface units over and in international waters near Cuba in manner designed to keep Cuban military force in state of alert and uncertainty. To be effective, movements would have to be extended over time)

1. Advantages

1. Advantages

- Indirect economic effects of maintenance of military alert
- Psychological harassment of Castro and other leaders
- Opportunities for escalation, if desired

2. Disadvantages

- Risk of reaction by Castro, with consequent danger of escalation
- Investment of U.S. forces over time in essentially psychological exercise
- Possible negative effects on morale of anti-Castro elements and waverers within Cuba when nothing substantial happens
- Possible negative effects on Soviet withdrawal of military personnel

D. Occasional, selected low-level "reconnaissance" overflights by U.S. aircraft

(Flight paths would be designed to reduce to a minimum the possibility of effective Cuban counter-action against aircraft)

1. Advantages

1. Advantages

- Most emphatic method of signalling a change to "harder" policy
- Possible tie-in to need for intelligence on Cuban capabilities for delivering arms to Latin America
- Possible beneficial intelligence side effects.

2. Disadvantages

- Risk of escalation (Cubans on formal record concerning reaction to low-level flights)
- Possible reaction against high-level flights
- Possible negative effects on Soviet withdrawal of military personnel
- Possible raising of public and Congressional apprehension that offensive weapons systems have been reintroduced

E. Free-world shipping

(Examples: extension of NSAM 220 to cover all ships owned or controlled by a firm with ships in the Cuban trade; denial of commercial, as well as U.S.-financed cargoes in U.S. ports to ships in Cuban trade)

1. Advantages

1. Advantages

- Some limited reduction of number of free-world vessels in Cuban trade
- Heightened appearance of forward movement because of Congressional and press sensitivity to shipping question

2. Disadvantages

- Relatively small practical returns
- Political costs with maritime nations
- Possible legal difficulties involved in some unilateral measures

II. Bilateral

A. General

Essentially, the effort in the bilateral field would represent a continuation, sharpening and intensification of programs already in effect.

Measures of a bilateral nature, outside and within the Hemisphere, would be strengthened and facilitated by OAS decisions and recommendations emerging from the Venezuelan case. Wherever possible, the OAS resolutions would request the cooperation of other countries.

The basic limiting factor in the intensification of our political and economic pressure on other countries bilaterally is, of course, the balance that must be struck between our interests with respect to Cuba and other broad interests at play in our bilateral relations. For example, Spain's increasing commercial and transportation relations with Cuba are a matter of concern in terms of our Cuban policy, yet the political and economic pressure we can exert on Spain is circumscribed by the need to safeguard our other political and military interests in Spain.

B. Economic Denial

This program involves overt and covert, legal and extra-legal, diplomatic and private, efforts to deny Cuba access to free-world markets and sources of supply for commodities critical or important to the Cuban economy. A major inhibiting element in this effort is the short world supply of sugar which increases Cuban leverage on free-world sugar consumers. In addition, there is a general (but varying) reluctance on the part of free-world countries to interfere with trade in items which are not strategic in

in the internationally accepted sense (COCOM, Battle Act). This fact puts a premium on direct overt and covert pressures on the companies involved, as distinguished from governments.

Progress has been made in our economic denial program, and effective operations have been carried out cooperatively by State, Treasury, Commerce and CIA. There is, however, considerable additional effort required, especially because Castro is now engaged in a major attempt to broaden trade with the free-world. No new authority is required at this time, but rather an intensification of efforts through the Inter-Departmental Coordinating Committee on Cuba.

A more restrictive legal interpretation by the Executive Branch of the various legislative provisions on trade with Cuba could have considerable impact, if we were prepared to accept the costs to our other interests in the offending countries and if we were prepared tacitly to indicate that existing legal interpretations had been in error.

C.

C. Free-World Shipping in Cuban Trade

An additional immediately available step would be the conclusion of an agreement involving the amendment of NSAM 220 with the British shipowner, Mavroleon, to guarantee the withdrawal by early 1965 of all his ships in return for the progressive removal from the blacklist of his vessels as they get out of the trade. This agreement should have beneficial effects on other important ship owners.

A selective refusal to exercise the Presidential waiver of the Cuban shipping provisions of the new Foreign Aid Authorization act could increase our diplomatic pressures on the maritime nations, if we were ready to incur the costs to our broad interests in the offending countries.

D. Air Service to and from Cuba

Our efforts to reduce, restrict and harass air services (free-world and Communist) to and from Cuba should be strengthened by the provisions of the new Foreign Aid Authorization act, if, again, we are prepared to accept the costs to other interests in the offending countries. On the other hand, a

US-USSR

US-USSR civil air agreement could have erosive effects on the always precarious barriers we have established against air services to Cuba.

E. Anti-Subversive Program

Essentially, the problem here is to strengthen both the will and the capability in Latin America to take the politically and technically difficult measures which have been recommended. The basic lines of the anti-subversive program have been laid out, and they are being followed with varying degrees of success in the different countries. Constant follow-up, technical advice and assistance, and training are essential to improvement in the execution of the program.