1. First use with Cubans in C-10 and B-26 reports began to circulate in several and in the press, in various newspapers where it was offered that the Cuban government was making mass arrests of persons involved in a counter-revolutionary conspiracy. The reports included exaggerated accounts of invasions in various parts of the island and in the Isla de Pinos, the assassination ofovable and a imminent invasion from the Dominican Republic. AICA was able to obtain information to disprove most of these reports, as well as to verify mass arrests of military personnel that had occurred in the armed forces from the 19 ingredient or the country awaited the report of the true situation from its "maximiser le" Prime Minister Fidel Castro.

2. On August 16, 1959, Dr. CASTRO appeared on television, complete with a cast of heroes and villains, to give the nation a five-hour account of the plots, catcher plots and under-the-counter plots in which he and his followers had been engaged. The report was as follows: Several months ago various groups of ex-military, disillusioned dissatisfied civilians, began to organisa against CASTRO. One of these groups was the support of CASTRO and through ex-Om PEDRAZA, who moved between Miami and Ciudad Trujillo to consolidate the various groups and obtain the cooperation. AICA reports indicate that he also was in Cuba on at least one occasion, a high-ranking officer in Miami, all of these groups had the support of CASTRO. The MIAMI supports ex MIAMI supporters in exile there, were active in the clandestine furnishing arms to the groups and were financed by those groups. Meanwhile TRUJILLO began to accept and to recruit ex-military personnel from Europe as well as Cuba into the ARMY for possible use against CASTRO. The MIAMI supporters exiled in the Dominican Republic, supposedly helped TRUJILLO to a great degree financially in this project. CASTRO, alerted to some of these groups, matched his military, intelligence to penetrate the conspirers, William MORGAN, an American adventurer from Texas, who had fought with the rebel forces in the Escambray district of Llano Province during the last months of 1958 and who had remained in CASTRO's army with the rank of Major, was the leader of the 'enemy spies' and was ably assisted by Major Roy WILLIAM MURPHY, also of Escambray fame. Morgan, either approached or was approached by the group of ex-military conspirators and pretended to join them, both for financial and political (anti-Castro) reasons. Morgan and his group were completely accepted by the conspirators, according to CASTRO, that this group named him as commander-in-chief, displacing PEDRAZA and other Dominican leaders. MORGAN was given the nom de guerre of "NESTOR," actually honorary of another famous Caribbean adventurer with the same name. MORGAN's house, intervened from one of the BATAAN groups was used as a headquarters for meetings of the conspirators and some of them were even lodged there. CASTRO appointed MORGAN to a post in Llano Province where the latter pretended to be preparing a counter-revolutionary army in the island and building a training base for the invading army.
The date of 9 August was fixed for the attempt to overthrow the government and MORGAN went to meet the arms shipment from the Dominican consul in Miami, supposedly planning to return with this to La Villas, where he would receive further arms by a/c drop and bomb arm his followers in the hills and proceed to cut the island in half. Meanwhile, one group was to free the prisoners on the Isle of Pines, making a quantity of trained military pilots available, another group was to take over the city of Santiago and still another was to immobilize the military bases of Libertad, San Antonio de los Banos and Managua near Esteli. Some members of the PAR were to sabotage P&P a/c to prevent their use in the defense of the city and ex-Par instructors were to take over the tanks at Managua and move up to control Havana. PAR cadets (69 graduates of USAF pilot training still in the war) were to take up the T-33’s, B-26’s and Sea Fury’s and 10th fighters. In many ways it resembled BATISTA’s 10th of March take-over except that a great deal more bloodshed was expected. Before any of these groups could move, CASTRO ordered mass arrests, based on the data furnished him by MORGAN. The arrests were kept as quiet as possible, however, and the government refused to verify unofficial “jags” which the newspapers published. Fidel CASTRO dropped out of sight and Raúl CASTRO furnished only the sparsest of information. MORGAN met the boat load of arms from Miami, taking delivery beyond U.S. waters and making delivery to Fidel CASTRO in Havana rather than to the counter-revolutionaries in La Villas. MORGAN then went to Trinidad, Las Villas Province where he informed TRUJILLO by radio that the plot was in motion but that he needed further arms for his group who were fighting desperately and that the press notices of arrest, etc. were all lies put out by CASTRO in an attempt to dañear the conspirators. On 10 Aug or 11 Aug arms were dropped by parachute in the vicinity of CHIPEGOS, Las Villas, and on the night of 12 Aug a C-46 arrived from the Dominican Republic in order to deliver arms and learn the true situation. This a/c was met by CASTRO forces, pretending to be counter-revolutionaries and shouting “Down with Castro Long Live Trujillo”, etc. The personnel on board the C-46, including a mysterious armed priest named VILLASCO, were apparently satisfied that the conspirators had the area around Trinidad under control delivered their load of arms and promised to return the next day with additional arms and personnel. On 13 Aug a reporter taken by CASTRO to the scene states that another a/c approached the same night but did not land. During the day of 13 Aug MORGAN sent frequent radio messages.
PARaguayan military has informed AIRA that all ex-CAAF personnel remaining in PAR (largely technical enlisted personnel, estimated about 300-400) have been kicked out and are expecting permanent discharge. The men would not return even if they were ordered to do so in view of their arrest and inhuman treatment at our air bases. This leaves the CAF in an even more desperate state than before. - Without any trained personnel except the group of pilots imprisoned by BATISTA. There are literally no mechanics, technical engineers or trained office, finance or communications personnel. Of the enlisted personnel remaining the majority can neither read nor write intelligently and have no knowledge of or inclination for military discipline, much less for applying themselves to daily routine or combat line work. As a number of CAF personnel was indirectly involved in the conspiracy, CASTRO was forced to make them to the war effort and remove all ex-CAAF personnel, and this fact has been another serious blow to the CAF. Since Sept 30 practically all Air Force personnel have been dismissed or discharged and no serious efforts have been made to reorganize this force, it is practically unable to comprehend CASTRO's orders or even to defend Cuba.

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