

DISPATCH		SECRET		PROCESSING																																																	
TO	INFO	FROM	SUBJECT	FILED	ACTION																																																
TO : Chief of Station, Mexico City				X	MARKET FOR INTERVIEW																																																
INFO					NO INTERVIEW REQUIRED																																																
FROM : Chief, WH Division					ONLY QUALIFIED HEADQUARTERS DESK CAN JUDGE INDEXING																																																
SUBJECT : LIENVOY Project Renewal					ARCHIVE																																																
ACTION REQUIRED REFERENCES																																																					
<p>REF: HMMA-20408</p> <p>1. The LIENVOY Project was renewed on 29 March 1963 for the period 1 February 1963 through 31 January 1964, for a total of \$47,068: \$18,210 for FY 1963 and \$28,858 for FY 1964.</p> <p>2. The renewal request submitted with reference was changed to reflect that only the Czech, not all Satellite installations are covered by this Project. Attached is one copy of the memorandum prepared at Headquarters forwarding the request for approval.</p> <p>3. Headquarters noted that the Station did not include LIENVOY-6 in the Project Renewal request. Headquarters records indicate that this agent is still active. If such is not the case, please furnish an Agent Service Record so that the OA can be cancelled and the file retired.</p> <p>4. In the renewal process, KUTUBE commented that the Cuban reporting and that connected with President Kennedy's trip to Mexico were of special value, and they recommended renewal. KUDESU concurred with the Station's plan to move the intercept center for the reasons stated by the Station. KUDESU commented that the project activity is bound to become of interest to various opposition elements and the Station is well-advised to make necessary changes to provide for and improve on the security of the operation.</p> <p>5. With regard to the moving of the LIENVOY tap center, a separate dispatch follows regarding the equipment requested in HMNT-3380.</p> <p style="text-align: center;">END OF DISPATCH</p> <p>Attachments: Even Pages Odd Pages U/S/C</p> <p>Distribution: O&amp;I - COS, Mexico City, W/Att</p> <p>Removed from Project <i>KUTUBE</i> CS Classification: <i>SC-6-75/1</i> JOB # <i>23 125174</i> Box: <i>27</i> Folds: <i>2</i></p>																																																					
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(When Filled In)

3-1596

PROJECT ACTION				PROJECT COMPLETION			
TYPE OF ACTION		FIELD		CA			
NEW PROJECT APPROVAL	DIVISION	AF Division					
AMENDMENT NO.	FIELD STATION	Mexico City					
RENEWAL FY 1963-4	BRANCH	AF/3	DESK	Mexico			
EXTENSION	CASE OFFICER	C. Bustos-Videla					
TERMINATION	ROOM NO.	3901	BUILDING	Lanley	EXTENSION	6026	
CONCURRENCES OF DIVISION							
ORGANIZATIONAL ELEMENT	TYPED NAME (With signature)	DATE	COPY NO.	MEMORANDUM ATTACHED			
AC/WH/3/Mexico	Joe Reeves	17 Jan 63		YES	NO	DATE	
AC/WH/3	Forrest Shivers	17 JAN 1963					
WH/B&F	Robert D. Carter	21					
CWH/Support	Faul E. Arneson	17 Feb 63					
WH/FO/A	Ruth Geary	5-26-63					
CWH/FO/A	Alan F. White	7 Feb 63					
AC/WH/3	William Food	11 Feb 63					
AC/WH/3	J. C. King	17 Feb 63					
CONCURRENCES OF OTHER COMPONENTS							
FI Staff	-s/J. Baine	1 Mar 63		X			1 Mar 63
CI Staff	-s/P. Hughes	26 Mar 63					
FI/INT	-s/H. Estey	26 Feb 63		X			26 Feb 63
CONCUR:							
C/DDP/PG							
APPROVAL							
PERIOD	TOTAL AMOUNT	FY	AMOUNT				
FROM 1 Feb 1963	TO 31 Jan 1964	1963	\$ 18,210				
		1964	\$ 28,353				
APPROVING AUTHORITY	SIGNATURE	DATE					
ADDF	J. Karaman	29 Mar 63					

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DDP/PG/FI Projects  
27 March 1963

PROJECT BRIEFING

PROJECT: LIENVOY WH - Mexico  
ACTION : ADDP approval of renewal 1 Feb 63 - 31 Jan 64  
PURPOSE: Project provides for a joint CIA/Mexican Government telephone tap center and for a nonofficial liaison relationship which provides access to the highest levels of the Mexican Government. All Soviet and Czechoslovak installations and major anti-U.S. elements are covered by the operation.

PROG-  
RESS : Project has provided Station with a channel to the President of Mexico which is effective, rapid and covert, and was particularly worthwhile in making arrangements for President Kennedy's visit to Mexico in June 1962. The Mexican President was also briefed on the Cuban situation through this channel. The joint tap center provides coverage of 30 lines yielding positive and CI information of value. Division reports 236 positive disseminations on a variety of topics with concentration on Communist and anti-U.S. activity. A large amount of information not disseminated is used by other U.S. agencies in Mexico. The Station feels that this operation contributes greatly to the present friendly attitude of Mexican Government leaders toward U.S. policies.

FUNDS :	\$47,068	\$18,210 in FY 63	\$28,858 in FY 64
	Compensation (11 persons)		\$33,068
	Operational expenses		2,000
	Supplies and equipment		2,500
	QP vehicle upkeep		1,200
	Safehouse rental		2,500
	Entertainment		3,000
	Purchase of information - LIENVOY/2		2,800

PREVIOUS APPROVALS:	1 Feb 62 - 31 Jan 63	\$ 43,240
	1 Feb 61 - 31 Jan 62	59,690
	1 Feb 60 - 31 Jan 61	53,840
	1 Feb 59 - 31 Jan 60	163,537

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STAFF

COMMENTS: FI and CI Staffs concur in renewal.

FI STAFF: FI/INT points out that the project is the most productive, in terms of volume, reporting on Mexico. It is also the most productive telephone tap operation, in terms of volume, of all our tap efforts. Cuban reporting and that connected with President Kennedy's trip to Mexico were of especial value.

CI STAFF: Concur with Station's plan to move the intercept center for the reasons stated. The project activity is bound to become of interest to various opposition elements and the Station is well advised to make necessary changes to provide for and improve on the security of the operation.

*Please forward to  
ref. coordinating  
this office. Add  
as for  
distribution, too  
please.  
WH/FI/AR*

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26 February 1963

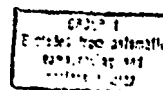
Project LIENVOY WH/Mexico

FI operation employing audio surveillance and liaison on the highest government level

1. FI/INT files contain 255 positive information disseminations produced by Project LIENVOY during calendar year 1962 -- 130 regular CS disseminations, 116 teletype reports on subjects of current or priority interest, and nine transmittals of official documents from Communist or leftist organizations in Mexico. LIENVOY reports provided information on the Mexican Communist Party (PCM), the Popular Socialist Party (PPS), the new but increasingly powerful National Liberation Movement (MLN) -- an anti-US, pro-Cuba Communist Front, on other Front or leftist organizations, and on individuals active in these organizations. Among the persons of intelligence interest most extensively reported on were Vicente LOMBARDO Toledano, head of the PPS and an official in the World Federation of Trade Unions; Jorge L. TAMAYO Castillejos, an avowed Marxist appointed to a government position; Braulio MALDONADO Sanchez, Communist former governor of Baja California; the former president of Mexico, General Lazaro CARDENAS del Rio, head of MLN; and General CARDENAS' son, Cuauhtemoc CARDENAS Solerzano. LIENVOY provided also information on Mexican contacts with Soviet Bloc countries, with Cuba, and with leftists of other Latin American countries; on Communist and leftist publications; on Prensa Latina and other Cuban propaganda efforts in Mexico; on the reaction of Mexican and international Communists to the imprisonment of famed muralist David ALFARO Siqueiros, and their activities on his behalf. Valuable reporting in connection with President Kennedy's visit to Mexico was provided -- Communist plans for sabotage, the Government's tactics to inhibit their fulfillment, and information on favorable reaction to the US President's speech expressed secretly by pro-Communist members of the MLN. Among the disseminations which had to do with Cuba, a number reported the transshipment of goods, a subject of special intelligence interest and one, which reported the views of high-level government officials concerning the Cuban crisis, was described by CCI's analyst as extremely valuable.

2. The recently-issued (9 January 1963) FNIO cites as Third Category Priority National Intelligence Collectives the following to which LIENVOY reporting is relevant: "The reaction of Latin American Governments and peoples to developments in and with respect to Cuba; the vulnerabilities of particular

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countries to Castro-Communist subversion ...." Among the projects collecting intelligence information on Mexico, LIENVOY is the most productive in terms of volume. In addition, the high level of its sources and the technical means by which it is acquired give the reporting significance and authenticity.

3. FI/INT considers this an excellent project.  
RENEWAL IS RECOMMENDED.

*Hayden Estey*  
HAYDEN ESTEY  
Chief, FI/INT/RE

- 2 -

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61 MAR 1963

MEMORANDUM FOR: Assistant Deputy Director (Plans)

THROUGH: DDP/PG

SUBJECT: Project LIENVOY Renewal

Foreign Intelligence Staff recommends renewal of Project LIENVOY. With its 255 positive intelligence disseminations during the past year, FI/INT has pointed out that it is the most productive project, in terms of volume, reporting on Mexico. It is also the most productive telephone tap operations, in terms of volume, of all our tap efforts. The reports on Cuban matters and reports connected with President Kennedy's trip to Mexico were of especial value.

*J. Lloyd George*  
J. LLOYD GEORGE  
Chief  
Foreign Intelligence

Attachment  
Project

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10 January 1963

Request for Renewal of Project LIAISON

1. It is requested that the LIAISON project be renewed for the period 1 February 1963 through 31 January 1964 for a total of \$7,313; \$13,210 for FY 1963 and \$23,000 for FY 1964.

2. The liaison channel of this project to LIAISON, LIAISON, and the President of Mexico has been particularly useful during the past year in making arrangements for the trip of President Kennedy to Mexico from 2 June to 1 July and at the time of the Cuban crisis in October 1962. The Chief of Station was given permission to give President LOPEZ MATEOS a special briefing on Soviet missile bases in Cuba and special photographs were shown to him. In view of Mexico's important position in the "neutralist non-intervention" camp of Latin American countries, the ready access to President LOPEZ MATEOS, through whom she has built up an excellent rapport, is an invaluable asset for OTCM policy makers. The present Ambassador has chosen to use this channel on several occasions.

3. The Station passes to the President PRRAND material after proper editing. These are given him promptly so that the information will be timely, and he has shown great interest in this weekly briefing. In fact, he has asked for special briefings, and one such report on the India-Red Chinese border war was prepared for him. On his trip to the Far East in October 1962, he asked for special briefings on communist and important personalities who were communists or pro-communists in three countries he planned to visit; Indonesia, Japan, and India. They were prepared by CI/IOB and forwarded to the Station for translation and passage to the President.

4. The joint tap center which provides coverage of 30 lines, is one of the most important sources of positive intelligence and CI information for Mexico. The Station is provided with the take from these lines on a daily basis. There is a MEXICO Staff Agent, Arnold F. AREHART (ps), who spends full time in the LP, and is responsible for complete maintenance of all the

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equipment and for controlling LTRAM interests in this phase of the Project.

5. With regard to events which might be considered as bearing on the security of this project, the Station reported that on 15 June 1962, at approximately 0930, the concierge noticed two men standing directly across the street from the LP and who seemed to have an unusual interest in the activity of the LP. After about an hour both got in an automobile and continued to watch the building from the car, and from time to time appeared to be taking notes on the comings and goings of the installations, as well as making notes on the cars used by the personnel of the LP. They attempted to follow one LP employee when he left for lunch. Later that day, LIENVOY-2 and LIENVOY-11 approached one of the two surveillance men and asked for an explanation of his action that day. They also asked him to identify himself. He showed them a driver's license with the name Mariano VERA Gonzalez. This information was checked at the Department of Traffic and found to be the license of another person. The Traffic Department was asked out to determine who, if anyone, might show an interest in the names and addresses of the cars used by LP personnel. On the 16th of June, an agent of the Secret Service of the Police Headquarters showed up and tried to obtain information about the owner of the license plates on LIENVOY-2's car. The stake-out employee and Secret Service man checked the traffic files, but the information was not there. In conversation with the Secret Service man, information was gained which led the Station to suspect that he was a member of an investigative group headed by a Mexican whose aim is to obtain political information for Mexican politicians. Since the 15th, no further attempts to place the LP under observation have been noted. Any problems such as this can be handled, if necessary, by the COS and his government contacts since this is a joint venture.

6. During the past project year, there have been 236 disseminations based on LIENVOY and LIENVOY-2 information: 200 from the former and 36 from the latter. LIENVOY reporting covered such topics as:

- a. Activities of Mexican leftists such as Lazaro CARDENAS, Jorge L. TAYAYO, Vicente LOPEZADO Toledano.
- b. World Peace Council.
- c. Soviet and Czech activities in Mexico.
- d. Activities of Soviet and Czech officials in Mexico.
- e. National Liberation Movement (MLN).

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f. Cuban commercial activities in Mexico, and transshipment of goods to Cuba.

g. Activities in Cuba and Cuban activities in Mexico.

h. Mexican Communist Party.

i. Popular Socialist Party.

j. Clandestine Communist propaganda and periodicals.

k. Coverage of activity in Mexico of interest to KUBARK in connection with the trip of President Kennedy.

l. Travel of persons of interest.

LIENVOY-2's informants provided reports covering such topics as the following:

a. Communist Party activities in Mexico.

b. Anti-government propaganda and activity.

c. National Liberation Movement.

d. Anti-U.S. activity in the National University.

e. Developments in Mexico of interest regarding the trip of President Kennedy.

7. WH Division supports the attached renewal request for Project LIENVOY submitted by the Mexico City Station. This project is considered one of the Station's most productive sources of positive, operational and CI information. Also, it provides a clandestine channel to the President of Mexico for both the Station and the Ambassador.

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SECRET/NOVA

## REQUEST FOR PROJECT LIENVOY RENEWAL

A. Current Objectives.

The objectives of this project remain the same as those stated in the last renewal request. The project continues to provide the Mexico Station with a smooth and rapid channel to Mexico's highest political figures. The Principal Agent continues to be a close associate of Pres LOPEZ Mateos. The intercept center has undergone no major changes during the past year.

1. RFDK-6 Objectives Priority A, 1. a; Priority A, 4, a, b, c; and Priority B, 2 and 3 continue to be effectively covered by this project. Cordial and friendly relations continue between Government of Mexico leaders and the Chief of Station, Mexico. During the past year, the Chief of Station, Mexico, at the request of the Chief, ODACID, Mexico, has held a number of covert meetings with President to convey ODVOKE policy matters. The Chief, ODACID, remains pleased with this access to Mexican officials.

2. All Soviet and Czechoslovak installations in Mexico City are covered by this project. The Case Officer for Soviet Operations and the Case Officer for Soviet Satellite Operations rely heavily on this product for operational leads and data to support double agent operations.

3. All major anti-PEPRIME elements in Mexico City are covered by this project.

4. Targets of opportunity which appear to be hostile or critical to PEPRIME or to the present Government of Mexico are covered by this project.

All major objectives of the project are being effectively realized.

B. Changes.

At a yet to be determined date, it is planned to move the intercept center from its present location. Two reasons are behind this move: 1) security, since the present base has been used for almost three years; and 2) to provide the center with more mobile equipment. Such equipment is now under consideration by KURIOT and when it becomes available, an amendment to this project will be forwarded requesting approval for the transfer of the intercept center.

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C. Intelligence Production.

The activities report forwarded to Headquarters each month lists the intelligence reports received from this project. During 1962 there were 534 intelligence reports produced by this project which were forwarded to Headquarters through 1 December 1962. All of these concerned RMDM-6 reporting priorities and current requirements levied by Headquarters and the ODACID installation.

In addition, this project produces a large amount of information which is not disseminated on a current basis but is reported to ODACID, ODENVY and other ODYOKE agencies in reply to a steady stream of routine file trace requests. These file trace requests run into the thousands each month. It would be difficult to determine the exact percentage of the information produced by LIENVOY; but in many instances involving prominent Mexican Government officials, large portions of the file came to us through LIENVOY coverage.

D. Effectiveness.

The LIENVOY project provides the Station with a channel to the highest level of the Mexican Government which is both effective and rapid as well as covert. The Station continues to receive the daily "resumen" highlights from the thirty (30) lines covered. A high percentage of current intelligence is disseminated from these daily reports. In addition, full transcripts are received on Soviet and Czech lines and on any of the thirty targets we may request. A good part of this is personality data useful only to KUBARK and in some cases to ODENVY. In addition, the project provides a support mechanism for covering targets of interest to KUBARK or other ODYOKE agencies.

E. Problems.

There have been no significant security, cover, control or liaison problems during the past year.

F. Liaison.

From a liaison point of view, the Station believes that this project contributes greatly to the present friendly attitude of the Mexican Government leaders toward ODYOKE policies. The liaison remains clandestine in nature though contacts between the Chief of Station and Pres LOPEZ Mateos are usually made at the request of the Chief, ODACID, Mexico.

G. Interagency Coordination.

The Chief, ODACID, Mexico, is the only ODYOKE representative in Mexico outside KUBARK who is aware of this project. His role has been

SECRET, 1962

explained above and the coordination with KUCARK is excellent.

#### H. Plans.

No significant operational changes are recommended for the next project year. Subject to the continuation of the present Mexican officials in their current positions, the project will not be changed.

#### I. Costs.

##### 1. For the past period.

The cost of the project (paid by Mexico Station exclusive of Headquarters costs) from 1 February 1962 through 30 June 1962 was US \$16,253.00 and from 1 July 1962 through 30 November 1962 (actual) US \$13,122.00 and \$7,600.00 for December and January (estimated). The total for the past year will be approximately US \$36,975.00.

##### 2. For the next project year.

During the period 1 February 1963 through 31 January 1964, an estimated amount of US \$47,068.00 will be required with US \$18,210.00 to be spent from 1 February 1963 through 30 June 1963 and US \$28,858.00 to be spent from 1 July 1963 through 31 January 1964.

##### 3. Agent Salaries.

	<u>MN No.</u>	<u>US P.A.</u>	<u>FY 63</u>	<u>FY 64</u>
LIENVOY/2.	6,000.	5,760.	2,400.	3,360.
LIENVOY/4	3,000.	2,880.	1,200.	1,680.
LIENVOY/5	3,000.	2,880.	1,200.	1,680.
LIENVOY/7	2,000.	1,920.	800.	1,120.
LIENVOY/8	2,000.	1,920.	800.	1,120.
LIENVOY/11	3,000.	2,880.	1,200.	1,680.
LIENVOY/12	3,000.	2,880.	1,200.	1,680.
LIENVOY/14	2,000.	1,920.	800.	1,120.
LIENVOY/15	650.	624.	260.	364.
LIENVOY/16	2,000.	1,920.	800.	1,120.
LIENVOY/18	3,000.	2,880.	1,200.	1,680.
Xmas bonus one month's pay 1963	29,000.	2,320.	--	2,320.
Contingency fund for new agents or severance pay		2,284.	950.	1,334.
Operational expenses		2,000.	800.	1,200.

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Local purchase supplies & equipment	2,500.	1,000.	1,500.
Upkeep of 2 QP vehicles	1,200.	400.	800.
Safehouse rental	2,500.	1,000.	1,500.
Entertainment & gifts for Mexican officials	3,000.	1,000.	2,000.
Purchase of information via LIENVOY/2 5,000.	2,800.	1,200.	1,600.
<b>TOTAL</b>	<b>47,068.</b>	<b>18,210.</b>	<b>28,858.</b>

J. Annex.

The equipment and Headquarters technical support furnished this project during the past year has been commendable. A project amendment will be submitted requesting additional equipment for the transfer of the intercept center as soon as modifications and estimates are known.

K. Emergency Conditions.

Should a crisis require the evacuation of the KUEARK staff agent working inside the Intercept Center, contact can be maintained with LIELEGANT at his clandestine apartment. This address is retained at the Mexico Station. If the contact is not made by Willard C. CURTIS, the use of his name should be sufficient introduction. LIENVOY/2 could be contacted in the same manner at his home in Mexico City.

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