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Biggest CIA Aid Going to Labor

WASHINGTON—Revelation that the Central Intelligence Agency has paid almost \$1 million to the Newspaper Guild in six years gave the public a look at only the above-water part of the CIA-AFL-CIO iceberg. The rest of the CIA money paid to organized labor, estimated at around \$100 million a year is probably the biggest fund dished out by Central Intelligence to anyone.

This payment and the foreign policy which goes with it are the chief bone of contention between AFL-CIO President George Meany and AFL-CIO Vice-President Walter Reuther. It has come close to splitting the powerful AFL-CIO combine into two separate units after years of negotiating to put them together.



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The huge CIA subsidy to organized labor chiefly goes to the following unions and union affiliates:

Jay Lovestone, sometimes called Meany's minister of foreign affairs, a Lithuanian immigrant who became secretary general of the American Communist Party, then turned strongly anti-Communist. Lovestone takes orders from Cord Meyer of the CIA. No CIA money for labor is spent without Lovestone's approval, and few labor attaches are appointed to American embassies abroad without his OK.

The International Oil Workers Union, which has handled sizable amounts of CIA money, especially in Indonesia.

—The Food and Restaurant Workers Secretariat, which embraces the food, hotel and brewery workers.

—The PTT Secretariat for

the postal, telegraph and telephone unions, all working closely with Joe Bieme, president of the Communications Workers of America.

—Irving Brown, Lovestone's No. 1 ambassador in Europe, who operates largely through the International Confederation of Free Trade Unions.

—The American Institute for Free Labor Development—or AIFLD—with offices on "K" Street in Washington. It spends millions in Latin America.

—The African-American Labor Center (AALC) which spends CIA money in Africa.

—The Inter-American Regional Labor Organization—or ORIT—which also operates in Latin America. Its parent, the International Confederation of Free Trade Unions is too liberal for Lovestone, but ORIT takes direction from Lovestone and with it takes CIA money.

SOME OF THESE groups have done good work in combating Communist labor influences and in spreading free trade unionism. But the difference between their work and the work of Arthur Goldberg with European labor during the war was that Goldberg's was openly associated with the OSS, a counter-intelligence organization, while the affiliation between organized labor and the CIA is highly

secret and carried on through dummy foundations.

Furthermore, there is no competent committee of Congress with knowledge of American policy which rides herd on the huge expenditure of government money to organized labor. Thus you frequently find Meany and Lovestone following policies directly opposite to those of the United States, Meany, for instance, once called the late Premier Nehru of India an "ally of communism."

Finally, there is no government accounting of these funds on behalf of the taxpayer. Unlike other agencies, these secret CIA funds do not have to be audited by the General Accounting Office. There is no way for the public or the General Accounting Office to know that Irving Brown in Europe paid \$1 million to corrupt elements in the French Longshoremen's Union at Marseilles to get them to unload Marshall Plan goods in 1948, and that heavy payments continued to the French longshoremen for an indefinite period afterward.

THE REUTHER faction of the AFL-CIO argues privately that the acceptance of CIA money puts organized labor on the same boat as the government trade unions of Communist Eastern Europe and fascist Spain. Yet Meany, while accepting U.S. government subsidies, boycotts Soviet, Polish and other Communist unions even though they are becoming more independent and even though it's been the policy of the Eisenhower, Kennedy and Johnson administrations to build bridges between East and West.

Biggest spender of CIA money is AIFLD, composed not only of the Meany-Lovestone faction in the AFL-CIO, but Peter Grace of the Grace steamship line, Juan Trippe of Pan American Airways, and Charles Brinckerhoff of Anaconda Copper. To this partnership, labor is supposed to put up \$200,000 and business \$280,000. However, since labor's share is raised on a collection basis, some unions

don't come across.

Central Intelligence not only makes up the difference, but adds several million dollars besides — all through dummy foundations. The AIFLD then puts up the money for housing projects in the Dominican Republic, Argentina, Costa Rica, Guyana, Mexico and Honduras, a bank in Peru, and training programs all over Latin America. These are laudable programs. However, they are supposed to be the work of the Alliance for Progress, not the super-spy agency of the U.S.

In brief, the CIA's cooperation with labor has come to be one way of getting around congressional appropriations for foreign aid, and also using funds to back dictatorships in Latin America.