

Credit for CIA Setup Claimed

Publisher Defends Grants as Successful

NEW YORK (AP) — A California newspaper publisher revealed Sunday that he created the Central Intelligence Agency program to subsidize student, labor and cultural groups.

And, he said, he personally gave United Auto Workers President Walter Reuther \$50,000 in CIA funds to influence West German labor unions.

Reuther immediately replied that on one occasion the UAW had "agreed reluctantly" to transfer the U.S. government funds to supplement U.S. labor union funds being made available to foreign labor unions because those unions were then susceptible to Communist subversion.

Thomas W. Braden, former president of the California Board of Education, a California State College trustee and publisher of the Oceanside Blade-Tribune, wrote in an article in the Saturday Evening Post that without the over-all CIA program, much of Europe, especially Italy and France, "probably would have gone Communist."

Braden wrote in the Post that Victor Reuther, assistant to his brother, Walter, president of the United Automobile Workers Union, "ought to be ashamed of himself" for complaining, according to a Drew Pearson column, that the old American Federation of Labor got money from the CIA, and spent it with "undercover techniques."

GAVE \$50,000

At Victor's request, Braden wrote, "I went to Detroit one morning and gave Walter \$50,000 in \$50 bills. Victor spent the money, mostly in West Germany, to bolster labor unions there. He tried 'undercover techniques' to keep me from finding out how he spent it. But I had my own 'undercover techniques.'"

Braden added: "In my opin-



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THOMAS W. BRADEN

ion and that of my peers in the CIA, he spent it with less than perfect wisdom, for the German unions he chose to help weren't seriously short of money and were already anti-Communist."

In a prepared statement, Reuther said in Detroit that after World War II the labor movement in Europe was weak and without resources, and therefore especially vulnerable to Communist subversion.

The CIA money, he said, was put into European trade union funds "to intensify their educational and organization programs."

According to Reuther, Braden asked Victor Reuther to become a CIA agent after the money-transfer incident.

"Victor Reuther emphatically rejected the request," Reuther said, and the UAW subsequently agreed never to "transmit government funds regardless of the urgency."

"The UAW has in the past and shall in the future continue to follow a policy of fiercely defending its independence and integrity," the statement continued.

AIDS MOVEMENT

But to help the European la-

bor movement, Reuther said, the UAW convention delegates voted in 1962 to put the interest accruing from their strike fund into the Free World Labor Movement.

Braden, in his article, defended the CIA program as successful in infiltrating every field where international Communist fronts operated.

He wrote in the Post's May 20 issue that the "vast and secret" operation was killed by "small minded and resentful men."

"In my opinion—then and now—it was essential," he wrote.

"Was it 'immoral,' 'wrong,' 'disgraceful'? Only in the sense that war itself is immoral, wrong and disgraceful. For the cold war was and is a war fought with ideas instead of bombs.

SHARES HOPE

"I share the hope that John Kennedy's appeal to the Russians to 'help make the world safe for diversity' reflects the spirit of a new age," he wrote.

"But I am not banking on it, and neither, in my opinion, was the late President—when an adversary attacks with his weapons disguised as good works, to choose innocence is to choose defeat. A government locked in a power struggle cannot acknowledge all the programs it must carry out to cope with its enemies."

Braden, who ran unsuccessfully last year for the office of California lieutenant governor, said he proposed the project in 1950 while serving as an assistant to Allen Dulles, then deputy director of the CIA.

At that time, he said, the CIA, then three years old and broken into divisions with geographic responsibility, seemed "not capable of defending the United States against a new and extraordinarily successful weapon

—the international Communist front.

SEVEN FRONTS

"There were seven of these fronts," Braden said, "all immensely powerful."

He listed them as the International Association of Democratic Lawyers, the World Peace Council, the Women's International Democratic Federation, the International Union of Students, the World Federation of Democratic Youth, the International Organization of Journalists and the World Federation of Trade Unions.

The last, he said, so successfully masked its Communist allegiance that "the CIA belonged to it for a time," while others had managed to steal "the great words."

"Years after I left the CIA," he said, "the late United Nations Ambassador Adlai Stevenson told me how he had been outraged when delegates from underdeveloped countries, young men who had come to maturity during the cold war, assumed that anyone who was for 'peace' and 'freedom' and 'justice' must also be for communism."

OKAYED BY DULLES

The program was approved by Dulles after considerable internal opposition, Braden wrote.

"The money we spent was very little by Soviet standards," he wrote, "but that was reflected in the first rule of our operational plan: 'Limit the money to amounts private organizations can credibly spend.'"

"The other rules were equally obvious: 'Use legitimate, existing organizations; disguise the extent of American interest; protect the integrity of the organization by not requiring it to support every aspect of official American policy.'"

Within three years, Braden said, "we had made solid accomplishments. Few of them would have been possible without undercover methods."

"I remember the enormous joy I got when the Boston Symphony Orchestra won more acclaim for the U.S. in Paris than John Foster Dulles or Dwight D. Eisenhower could have bought with a hundred speeches. Money for the orchestra's tour came from the CIA."

Another recipient, he wrote, was the magazine *Encounter*, "published in England and dedicated to the proposition that

cultural achievement and political freedom were interdependent."

CIA agents were planted in such groups as the European Congress for Cultural Freedom, Braden wrote, where they "could not only propose anti-Communist programs but could also suggest ways and means to solve the inevitable budgetary problems. Why not see if the needed money could be obtained from 'American Foundations'?" As the agents knew, the CIA-financed foundations were quite generous when it came to the national interest."

Labor presented the most difficult problem, Braden said. When, in 1947, a Communist-led strike in Paris brought fears of a government takeover Jay Lovestone and Irving Brown of the International Ladies Garment Workers Union organized a non-Communist union, Braden said.