

FOUNDATIONS, PRIVATE ORGANIZATIONS LINKED TO CIA

A series of disclosures during the week of Feb. 19-24 linked a number of organizations in the fields of law, journalism, labor, education and religion to the Central Intelligence Agency (CIA). The disclosures had begun Feb. 13 when the National Student Assn. (NSA) announced it had been receiving funds from the CIA since 1952. (*Weekly Report* p. 244)

President Johnson Feb. 23 disclosed the preliminary findings of a three-member committee he had named to study the CIA's role in providing funds for organizations with overseas operations. The committee, in a letter to Mr. Johnson, said the CIA "did not act on its own initiative" but in accord with policies established by the National Security Council. The President concurred with the conclusions.

Method of Operation. Press reports indicated that the CIA probably had used at least 46 foundations in an involved method of funneling funds to certain organizations. Under a method of transfer known as a "triple pass," the usual procedure was for the CIA to convey funds to "dummy" foundations established by the CIA to act as fronts for its activities. The "dummy" foundations then made grants to legitimate foundations. The legitimate foundations -- which also handled other funds -- then made grants to certain CIA-designated organizations, using the funds from the "dummy" foundations. However, the pattern varied in some instances. Press reports disclosed that there were some examples of direct grants by the "dummy" foundations to organizations and at least one example of grants by legitimate foundations (using CIA funds) back to a "dummy" foundation. A tabulation of press reports shows at least \$12,422,925 was channeled to organizations by the CIA.

CIA Curtailment. CIA Director Richard Helms Feb. 21 told the Senate CIA oversight subcommittee that the agency would withdraw its financial support from a number of non-government activities. A summary of Helms' testimony, taken in closed session, was given by Committee Chairman Richard B. Russell (D Ga.). Russell declined to say which CIA activities would be curtailed. (*For background on the CIA, see 1966 Weekly Report* p. 991, 1578.)

Reaction. Vice President Hubert H. Humphrey Feb. 20 said CIA financing of student groups represented "one of the saddest times, in reference to public policy, our Government has had." Sen. Robert F. Kennedy (D N.Y.) Feb. 21 said it was unfair to make the CIA "take the rap" for secretly subsidizing private organizations. He said, "These basic decisions were not made unilaterally by the CIA but by the Executive Branch -- in the Eisenhower, Kennedy and Johnson Administrations."

Conduits

Recent press reports have identified a total of 46 foundations believed to have been links between the CIA and organizations receiving CIA funds. These foundations generally fell into three categories: (1) CIA "dummy" founda-

tions set up by the CIA to give CIA funds directly to certain organizations or to channel CIA funds to established foundations which then served as conduits by giving the money to CIA-designated organizations; (2) suspected CIA "dummies" which, if they were not "dummies," were cooperating with the CIA in some capacity; and (3) established foundations serving as conduits for CIA money channeled to them, usually through "dummy" foundations. The CIA has refused to say which foundations it worked with or to disclose in what capacity any of the foundations identified by press reports may have been serving. It is possible, therefore, that some of the foundations listed below may be in the wrong category. Background information on the foundations was obtained from the Foundation Directory (Edition 2) and from the files of the Foundation Library Center, Washington, D.C. In some instances, no information was available.

CIA 'DUMMIES'

Beacon Fund, Boston, Mass.
Borden Trust, Philadelphia, Pa.
Edsel Fund, San Francisco, Calif.
Gotham Foundation, New York, N.Y.
Andrew Hamilton Fund, Philadelphia, Pa.
Heights Fund, no address.
Monroe Fund, no address.
San Jacinto Fund, Houston, Texas.
Kentfield Fund, Dallas, Texas.
Michigan Fund, Detroit, Mich.
Price Fund, New York, N.Y.
San Miguel Fund, Los Angeles, Calif.
Tower Fund, Los Angeles, Calif.

SUSPECTED CIA 'DUMMIES'

Broad High Fund, Columbus, Ohio.
James Carlisle Trust, no address.
Chesapeake Fund, Baltimore, Md.
Foundation for Youth and Student Affairs, 1 East 54th St., New York, N.Y.; established in 1952; principal officer: Arthur A. Houghton Jr., president; assets: \$90,189 (1962); grants last year of record: \$1,272,000 (1962); purpose: to encourage the development of international friendship, cooperation and cultural exchange among young adults.
Independence Foundation Inc., of Boston, c/o Hale & Dorr, 60 State St., Boston, Mass.; established in 1959; principal officer: Paul F. Hellmuth, trust; assets: \$42,007 (1964); grants last year of record: \$125,016 (1964); purpose: not given.
Knickerbocker Foundation, no address.
Norcraft Educational Fund, no address.
Victoria Strauss Fund, no address.
Charles Pryce Whitten Trust, no address.
Vernon Fund, Washington, D.C.
Warden Trust, Cleveland, Ohio.
Williford-Telford Fund, Detroit, Mich.
Wynnewood Fund, no address.

CIA 'COOPERATORS'

M.D. Anderson Foundation, P.O. Box 2557, Houston, Texas; established in 1936; principal officer: John H. Freeman, president; assets: \$29,305,776 (1964); total grants for last year of record: \$100,750 (1964); purpose: the improvement of working conditions among workers generally.
Appalachia Fund Inc., P.O. Box 352, College Station, Berea, Ky.; established in 1950; principal officer: Stuart L. Faber, president; assets: \$2-

736,678 (1960); total grants last year of record: \$114,660 (1960); purpose: to improve the general education, health, sanitation and physical well-being mainly of the inhabitants of the Appalachian Mountain area.

David, Josephine and Winfield Baird Foundation Inc., 67 Broad St., New York, N.Y.; established in 1940; principal officer: David G. Baird, president; assets: \$3,306,072 (1964); total grants last year of record: \$216,750 (1964); purpose: principally to benefit causes which interested the founder, such as higher education, the aged, the indigent and public health.

J. Frederick Brown Foundation, c/o Hale & Dorr, 60 State St., Boston, Mass.; established in 1956; principal officer: Paul F. Hellmuth, trustee; assets: \$113,638 (1964); total grants last year of record: \$161,000 (1964); purpose: to support charitable organizations.

Catherwood Foundation, 807 Lancaster Ave., Bryn Mawr, Pa.; established in 1947; principal officer: Cummins Catherwood, president; assets: \$125,993 (1961); total grants last year of record (1961): \$52,494; purpose: to promote scientific research and educational institutions.

Cleveland H. Dodge Foundation Inc., 300 Park Ave., New York, N.Y.; established in 1917; principal officer: Cleveland E. Dodge, president; assets (1964): \$6.2 million; grants last year of record: \$410,167 (1964); purpose: to promote the well-being of man; to assist certain charitable and educational organizations (chiefly in the Near East), Christian associations and special war and relief funds.

Farfield Foundation Inc., 145 East 52nd St., New York, N.Y.; established in 1952; principal officer: Donald S. Stralem, president; assets: \$1,361,330 (1964); grants last year of record: \$1,323,526 (1964); purpose: organized to aid in increasing and preserving the cultural heritage of the free world by interchanges in the fields of arts, letters and sciences.

Granary Fund, Boston, Mass.

Hobby Foundation, 2410 Polk Ave., Houston, Texas; established in 1945; principal officer: Oveta Culp Hobby, vice president; assets: \$1,134,295 (1965); grants last year of record: \$237,043; purpose: grants largely for education.

Hoblitzelle Foundation, c/o Republic Bank of Dallas, P.O. Box 241, Dallas, Texas; established in 1942; principal officer: Karl Hoblitzelle, president; assets: \$10,263,095 (1964); grants last year of record (1964): \$668,762; purpose: support to organizations within Texas, primarily in Dallas.

Jones-O'Donnell Foundation, 211 N. Ervay, Room 1815, Dallas, Texas; established in 1956; principal officer: Peter O'Donnell Jr., president; assets: \$17,479 (1964); grants last year of record: \$1,100 (1964); purpose: grants primarily for mental health and child welfare.

J. M. Kaplan Fund Inc., 55 Fifth Ave., New York, N.Y.; established in 1944; principal officer: Jacob K. Kaplan, president; assets: \$14,691,002 (1964); grants last year of record: \$301,768 (1964); purpose: to strengthen democracy at home and abroad.

Lucius N. Littauer Foundation Inc., 345 E. 46th St., New York, N.Y.; established in 1929; principal officer: Harry Starr, president; assets: \$2,634,570 (1964); grants last year of record: \$241,550 (1964); purpose: support higher education, community health, recreation and welfare agencies.

McGregor Fund, 2486 First National Bank Bldg., Detroit, Mich.; established in 1925; principal officer: W. J. Norton, president; assets: \$16,109,096 (1964); grants last year of record: \$986,674 (1964); purpose: make grants in the fields of mental health, aging, problems of the Negro, community services.

Marshall Foundation, 500 Jefferson Blvd., Houston, Texas; established in 1952; principal officer: W. Oscar Neuhaus, trustee; assets: \$26,401; grants last year of record: \$200,000; purpose: support for technological, industrial and labor relations institutions; grants also for international cultural relations.

Aaron E. Norman Fund Inc., Room 2127, 40 Wall St., New York, N.Y.; established in 1955; principal officer: Ruth Alice N. Halsband, president; assets: \$5,420,988 (1964); grants last year of record: \$81,672; purpose: promote improvement of intercultural and international relations.

Pappas Charitable Trust, 540 E. St., Boston, Mass.; established in 1948; principal officer: John C. Pappas, trustee; assets: \$356,974 (1964); grants last year of record: \$60,973 (1964); purpose: primarily local giving, with emphasis on religion and welfare.

Rubicon Foundation Inc., 740 Park Ave., New York, N.Y.; established in 1947; principal officer: Katherine B. Hadley, president; assets: \$2,309,468 (1962); grants last year of record: \$234,650 (1962); purpose: interests include higher education and libraries, international studies and relief, hospitals and nursing.

Sidney and Esther Rabb Charitable Foundation, 393 D. St., Boston, Mass.; established in 1952; principal officer: Esther V. Rabb, and Sidney R. Rabb, trustees; assets: \$299,000 (1961); grants last year of record: \$65,714; purpose: interests include hospitals and medical education, city and regional planning, public administration, international studies.

Benjamin Rosenthal Foundation Inc., 350 Fifth Ave., New York, N.Y.; established in 1943; principal officer: Edmund A. Rosenthal, president; assets: \$34,510 (1964); grants last year of record: \$415,478.80 (1964); purpose: to provide emergency relief in the face of collective suffering; to aid

charitable and philanthropic institutions meet extraordinary and emergency conditions.

Organizations

Press reports have identified a number of organizations that have been receiving grants from foundations believed to be channeling CIA funds. Since many of the foundations also had additional sources of income, not all the grants made by the foundations were necessarily made with CIA funds and thus not all organizations receiving grants from the foundations got CIA money. Listed below are those organizations most widely reported to have been the ones which benefited directly from the CIA funneling process, the amount received and the foundations involved. The amounts listed are not necessarily complete but rather only those amounts which have been disclosed in the press. (For a master list of conduits foundations, see p. 271.)

African American Institute, New York, N.Y.; a total of \$165,000 since 1961 (Baird, Norman and Rosenthal), \$58,500 in 1962-64 (Rubicon).

American Council for the International Commission of Jurists, New York, N.Y.; \$655,000 in 1958-64 (Anderson).

American Friends of the Middle East, Washington, D.C.; \$175,000 in 1963-65 (Hobby), \$150,000 in 1961-64 (Baird), \$50,000 in 1961-62 (Jones-O'Donnell).

American Newspaper Guild, Washington, D.C.; \$343,000 (Broad-High), \$328,000 (Chesapeake), \$200,000 (Granary), \$90,000 (Andrew Hamilton) and \$33,000 (Warden); all since 1961.

American Society of African Culture, New York, N.Y.; \$173,000 since 1963 (Norman, Brown, Rosenthal, Dodge, Pappas and Rabb).

Asia Foundation; undetermined amount in 1960-64 (Rosenthal).

Canadian Union of Students, Ottawa, Canada; \$3,000 in 1965-66 (FYSA).

Committee of Correspondence, New York, N.Y.; \$20,000 in 1963-65 (Hobby).

Congress for Cultural Freedom, Paris, France; \$1 million in 1962 (Farfield), \$430,000 in 1958-65 (Hoblitzelle).

Fund for International Social and Economic Education, Philadelphia, Pa.; \$200,000 in 1963-65 (Hobby); \$100,000 in 1963-64 (Pappas) and \$25,000 in 1965 (Brown).

Independent Research Service, Washington, D.C.; \$145,000 (Independence).

Institute of International Labor Research Inc., New York, N.Y.; \$1,048,940 in 1961-63 (Kaplan).

International Confederation of Free Trade Unions; undetermined amount, undated (FYSA).

International Cooperative Development Fund; \$75,000 in 1958-65 (Hoblitzelle).

International Development Foundation Inc., New York, N.Y.; \$100,002 in 1964 (Pappas), \$60,000 in 1964 (Rosenthal), \$50,000 in 1961-64 (Baird), \$50,000 in 1965 (Hobby), \$35,000 in 1964 (McGregor), \$30,000 undated (Beacon), \$25,000 in 1964 (Rabb), \$17,000 in 1964 (Brown) and \$10,000 in 1964 (Norman).

International Federation of Petroleum and Chemical Workers, Denver, Colo.; undetermined amount undated (Andrew Hamilton).

International Marketing Institute, Cambridge, Mass.; \$32,000 in 1963 (Independence).

International Student Conference, Leyden, Netherlands; \$1.8 million in 1962-64 (FYSA and San Jacinto), \$256,483 in 1962-65 (Independence).

National Council of Churches, Chicago, Ill.; \$14,000 in 1961-64 (Baird), \$4,000 in 1966-67 (Kaplan), and undetermined in 1965 (FYSA).

National Education Assn., Washington, D.C.; \$60,000, undated (Vernon).

Operations and Policy Research Inc., Washington, D.C.; \$120,000 in 1965-66 (Pappas) and \$24,000 undated (Rabb).

Pan American Foundation, Miami, Fla.; undetermined amount 1962-64 (Norman); undetermined amount, undated (Pappas).

Public Services International, London, England; \$60,000 in 1964 (Gotham) and undetermined amounts in 1958-63 (Gotham).

Radio Free Europe, New York, N.Y.; \$40,000 in 1964 (Hobby).

Retail Clerks International Assn., Washington, D.C.; \$38,000 in 1965 (Granary).

United States National Student Assn., Washington, D.C.; \$3 million since 1952 (FYSA, Independence, Rabb, Brown, Norman).

United States Youth Council, New York, N.Y.; \$150,000 annually (FYSA).

World Assembly of Youth, Brussels, Belgium; undetermined amount, undated (FYSA).

World Confederation of Organizations of the Teaching Profession, Washington, D.C.; \$1 million in 1965-66 (Vernon).