Students Call CIA Report Whitewash' 25/67

By Gerald Grant Washington Post Staff Writer

The Johnson Administration's preliminary report on the CIA's covert financing activities was branded a "whitewash" yesterday by leaders of the student organization secretly supported by the CIA.

W. Eugene Groves, president of the National Student Association, asserted that the re-President Johnson was "in effect a whitewash of the CIA's role."

The preliminary report, submitted by Under Secretary of State Nicholas deB. Katz-enbach, praised the CIA and said its clandestine support of educational, labor and See CIA, A4, Col. 6

church groups was in keeping with national security policies approved by Presidents Truman, Eisenhower, Kennedy and Johnson.

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Groves said he continued to feel that "CIA use of private organizations is unjustified in

a free and open society," The 23 - year - old former Rhodes Scholar called for "a more thorough, independent investigation" of the problems raised by the exposure of the CIA's role in subsidizing a wide range of private organizations. Groves doubted that the 3-man investigating panel headed by Katzenbach would be very "critical" with the direcof the CIA, Richard M. Helms, as a member. Secretary John W. Gardner of the De-partment of Health, Education and Welfare is the third member.

But on Capitol Hill, Repub-lican and Democratic leaders said there was no need for a special investigation of the CIA. In the Senate, GOP leader Everett M. Dirksen (III.) complained that the "Roman holi-day" of disclosures had already hurt the American intelligencegathering effort. Democratic Leager Mike Mansfield, in another news conference, said the Senate panel that now supervises the CIA is adequate.

The Republican leader in the House, Gerald R. Ford of Michigan, said that in at least two of the eight years he served on the House CIA watchdog committee its chairman, the late Rep. Clarence Cannon (D-Mo-), and the rank-ing Republican, the late Rep. John Taber (R-N.Y.), had approved secret CIA support of private groups.

However, Sen. Walter F. Mondale (D-Minn.) said in Chicago last night that only a full congressional investigat tion could "restore the faith and confidence" in the CIA,

At the student press conference yesterday, Edward Schwartz, NSA's national affairs vice president, agreed with Groves's criticism of the preliminary Katzenbach report.

The Central Question

Schwartz asserted that any investigation would be "trivial" unless it dealt with the "central question of whether the CIA should use private organizations for covert activities."

Groves added that regardless of "whatever extenuating circumstances there may have been, the use of covert means to build democratic institutions reflects a monumental contradiction" in a free society, smacking of the meth-ods used in a "closed society." Although the NSA's credi-bility had been damaged by the exposure of its 15-year financial involvement with the CIA, Groves said, the organ-ization was not going to fold up on either the national or international fronts.

Campus reaction to NSA's decision to terminate its rela-tionship with the CIA had been generally favorable, he reported. None of the 300 universities which are NSA members have yet declared they are pulling out, Groves said. As soon as its books are straightened out, Groves con-tinued, NSA will turn back to CIA about \$5000 to \$10,000 in

Kett Philips unused funds. The student organization, now about \$35,-000 in debt, has launched a campaign to gather funds from sources free of any CIA tie.

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Schwartz pledged a "continuation of the most dramatic campaign for student services, student rights, student involvement and student power undertaken in our history.'

Meanwhile, at the AFL-CIO meeting in Bal Harbour, Fla., President George Meany again flatly denied "any knowledge whatsoever" of CIA ties to unions, the Los Angeles Times reported.

Asked about reports by columnist Drew Pearson that \$100 million a year had flowed to unions through CIA conduits, Meany retorted:

"Drew is a liar by choice. The truth is not in him."

Meany also replied angrily to reports that Jay Lovestone, head of the AFL-CIO international affairs department, was the key link to the CIA. Lovestone "has nothing to do with the CIA and you can

bet on that," Meany snorted. Meany said that, based on newspaper reports and "the stories going around," he had decided to start his own investigation of CIA links. If any CIA money has gone to the AFL-CIO, "I'm opposed to it," he declared.

Santo Domingo Activity

In another development in Washington, Sen. Vance Hartke (D-Ind.) accused the CIA of using members of the NSA as undercover agents in Santo Domingo during the 1965 revolution there.

In a Senate speech, Hartke said students had told him that NSA staff members had been sent to Santo Domingo ostensibly to talk with student leaders there about University reforms. But he charged the students gathered dossiers on the local students and sent them to the CIA.

Reaction also came yesterday from the staff members of the Methodist Boards of Christian Social Concerns and Education, who charged that the CIA secret subsidies may cast a pall of suspicion over all students and scholars who travel abroad. The Methodist groups called for a thoroughgoing congressional investigation to clear the air.