

Congress Is Asked To End Financing Of Radio by C.I.A.

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WASHINGTON, May 23— President Nixon has asked Congress to create a tax-exempt nonprofit corporation to finance and supervise Radio Free Europe and Radio Liberty.

The Administration's draft proposal, which the Senate Foreign Relations Committee is scheduled to discuss tomorrow, marks a concession to Congressional criticism of secret financing of the two stations by the Central Intelligence Agency since their creation in the early nineteen-fifties.

If approved, Mr. Nixon's measure would end C.I.A. funding and covert control of the two stations. Instead, Congress would appropriate approximately \$40-million annually for the proposed corporation, which would be known as the American Council for Private International Communications, Inc.

The council would have a board of directors of 11 American citizens drawn from professional, business and cultural life. As currently proposed the directors, officers and employees of the corporation would "not be deemed to be" Government employees.

The directors would be named by the President with the advice and consent of the Senate. Initially, the council would be barred from channeling funds received from Congress into any activities except those of the two radio stations. Eventually, however, Congressional sources say, funds and authority might be expanded by Congress to include educational and cultural exchanges.

Senator Clifford P. Case, Republican of New Jersey, said that he was pleased "that the Nixon Administration has accepted my proposal for open Government funding of Radio

Free Europe and Radio Liberty.

On Jan. 24 Mr. Case criticized C.I.A. funding of the two stations, which he said was running at approximately \$30-million yearly and had involved "several hundred million dollars during the past 20 years."

He and Representative Ogden R. Reid, Republican of Westchester, introduced legislation calling for direct Congressional appropriations to finance the two stations.

Following prolonged consultations with Mr. Case and Mr. Reid, the State Department prepared its own proposal for funding the stations through a nonprofit corporation.

The C.I.A.'s control and financing of Radio Free Europe and Radio Liberty has always been officially denied although it has been an open secret in Europe for two decades and has elicited repeated protests from East European governments — especially Poland — to West Germany.

Radio Liberty, which broadcasts into the Soviet Union, and Radio Free Europe, which broadcasts into the other East European countries, have offices in New York. Their day-to-day direction, however, is exercised in Munich where each station has extensive broadcasting facilities.