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SUPPORT OF RADIO BY C.I.A. MAY END

Council Sought to Operate 2 European Outlets

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WASHINGTON, May 2—The Nixon Administration is reported to be preparing to ask Congress to authorize a "public-private" corporation that would finance Radio Free Europe and Radio Liberty through annual Congressional appropriations of \$36-million.

If approved—and preliminary reactions from leaders of Congress are said to be favorable—the plan would end the financing of the stations by the Central Intelligence Agency. They were created as a product of the cold war in the early nineteen-fifties.

The Administration is expected to propose the formation of an American Council for Private International Communications, Inc., with a board of 15 to be appointed by the President with Congressional approval. The council would receive the Congressional appropriations and pass them in turn to the radio stations. It would also supervise the existing boards of public figures who now, theoretically, control both radio stations.

The council would be a way of continuing both stations, which the Administration and many Congressional leaders want, but with open State Department policy guidance and regular Congressional appropriations.

This would replace the semi-secret C.I.A. control that has been subject to disclosures embarrassing to the Administration and has also been criticized in Congress.

On Jan. 24, Senator Clifford P. Case, Republican of New Jersey, disclosed that the C.I.A. had spent "several hundred million dollars" in secret subsidies on the stations. "Yet at no time," he said "was Congress asked or permitted to carry out its traditional constitutional role of approving the expenditure."

Last year alone, he said, the C.I.A. spent more than \$30-million to operate the two stations. C.I.A. control of the stations is officially denied.

Senator Case and Representative Ogden R. Reid, Republican of Westchester, introduced legislation to amend the United States Information and Educational Exchange Act of 1948 to provide direct subsidies of \$30-million to the stations, and barring any other form of Government financing.

Radio Free Europe, which broadcasts to Eastern European countries, and Radio Liberty, which broadcasts to the Soviet Union, report foreign and local events.

Operations in Munich

The two stations have offices in New York City, but their operational headquarters are in Munich and their powerful transmitters are in Portugal and Spain. Jointly they employ in Munich more than 1,000 staff analysts, newsmen and broadcasters, mainly of East European ethnic origin.

With information furnished largely by clandestine sources the two radio stations serve as the United States Government's "unofficial" voice to Europeans living under Communist rule. The Voice of America is, on the other hand, the "official" United States voice and, as such, avoids confronting the Soviet Union and other Communist governments.

Representative Reid said he approved of the Administration's plan for a corporation. "There is concern in Congress over the need to fund a program of communications between the peoples of the world," he said, "but there is also concern over the need to strengthen the credibility of these stations."

A spokesman for Senator Case said that the Senator would support direct Government subsidies to the two stations or financing through such an intermediary as the proposed corporation. The spokesman added that Mr. Case would oppose continuation of secret financing through the C.I.A.

Representative John J. Rooney, Democrat of Brooklyn, chairman of the appropriations subcommittee for the State, Commerce and Justice Departments and the Federal judiciary, said that the measure had not been discussed with him yet. However, he added:

"For years I've been a strong supporter of the Voice of America and I think Radio Free Europe and Radio Liberty are as important or perhaps more important."

Government sources said that the Administration's plan had been prepared in the State Department with the aid of the C.I.A. and United States Information Agency. It has been approved by a subcommittee of the National Security Council.

So far, informants said, the plan has been explained by the Administration to a small number of Congressional leaders, including Senator Case and Representative Reid; Representatives George H. Mahon, Democrat of Texas, chairman of the House Appropriations Committee; Representative Carl Albert, Democrat of Oklahoma, Speaker of the House; representative Gerald R. Ford, Republican of Michigan, House minority leader; Representative Thomas E. Morgan, Democrat of Pennsylvania, chairman of the House Foreign Affairs Committee, and Representative William S. Mailiard of California, second-ranking Republican member of the Foreign Affairs Committee.