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CIA Is Linked to Funding Of European Unity Groups

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LONDON, June 25—As far back as 25 years ago, the Central Intelligence Agency was secretly subsidizing private political organizations promoting European unity, according to a doctoral thesis written by the son of the secretary general of the European Movement, one of the groups said to have received funds.

According to the dissertation, the CIA, using a group of distinguished Americans and its own leaders as a cover, was pumping funds into the European Movement and its affiliates.

From 1947 until 1953, the European Movement and its offshoots are said to have spent an estimated \$2.8 million. Of this, the thesis says about \$1 million came from secret U.S. funds and another \$170,000 from American business firms. The Washington contribution was put at 38 percent of the total.

It has been known for some years that the CIA secretly financed political and propaganda activities in Europe, such as Radio Free Europe, which broadcasts to Communist nations; youth and labor organizations, and even some publications, among them the British magazine Encounter. The European Movement, however, has not been mentioned among these.

A detailed account of the relationship is given in a 1962 doctoral thesis written at St. Antony's College, Oxford, by Francois Xavier Rebattet. He was in a unique position to search the records and interview those involved because his father, Georges, was deputy secretary general and later secretary general of the European Movement.

Rebattet's thesis, "The 'European Movement' 1945-1953: A Study in National and International Non-Governmental Organization Working for European Unity," was first brought to public attention by Time Out a lively London weekly.

Interviewed by telephone at his Paris apartment today, Georges Rebattet emphasized that the bulk of the CIA money went to finance the European Movement's youth arm and not his headquarters. He estimated the U.S. subsidy to his own secretariat at no more than \$10,000 to \$20,000 a year.

"We knew there were people of the CIA" on the American committee transmitting funds, he said, "but we were not so very interested."

Many of the European Movement leaders, he re-

called, had fought in the wartime resistance and had met Allen Dulles, then in the Office of Strategic Services (OSS) and later CIA director. Rebattet said it then seemed natural to work with Dulles after the war.

Rebattet said that the Americans had not pressed any policy or program on the Europeans that the Europeans themselves rejected. "We were not under pressure from the American committee," he said.

He recalled that, in private talks, the Americans had urged the formation of a European Defense Community (EDC), a project to overcome French fears of a rearmed Germany by creating a Western European army. But here, too, according to Rebattet, the Americans acted with discretion. The project was ultimately defeated by the French Assembly.

The younger Rebattet's thesis underscores the heavy CIA influence in the American Committee on United Europe, the body that transmitted the funds across the Atlantic. Its chairman was William J. Donovan, the wartime boss of OSS, the CIA's predecessor. Allen Dulles was vice chairman; Thomas Braden, a CIA official and now a columnist, was executive director, and Charles M. Spofford, a New York lawyer identified in the thesis as a CIA man, was a director.

[Braden, reached for comment in Washington, said his tenure with the committee was before he became a CIA officer and, as far as he knew, the funds raised in the United States were genuinely private contributions, not money from the CIA.

["So far as I know, there was no CIA money in it," Bra-

den said. "What happened after I left, I don't know."]

Another director was Gen. Walter Bedell Smith, head of the CIA from 1950 to 1953 when the U.S. funds began flowing in quantity to the private European pressure groups.

Prominent members of the American committee included David Dubinsky of the Ladies Garment Workers Union; Arthur Goldberg, then general counsel of the CIO; Conrad Hilton, the hotel tycoon, and Lucius Clay, former commander of U.S. forces in Germany. It was an elite group, dominated by corporation executives and bankers, and limited to 600 members.

Rebattet describes the money channelled through the committee to Europe as "State Department secret funds."

Rebattet does not disclose which members of the European Movement knew that secret U.S. funds were helping finance their activities. His father thinks that the movement's first chairman, Duncan Sandys, was aware of Washington's aid. Sandy, the son-in-law of Winston Churchill, was to become a minister in a Conservative government.

The thesis indicates that Paul-Henri Spaak, the second chairman, clearly knew. He insisted, however, that the U.S. funds pay only for special projects so that the movement would be protected from being labeled as an American tool. Spaak later became Belgium's prime minister.

Donovan, the American chairman, is pictured as being remarkably blunt about the committee's aims, if not its methods. He is said to have insisted that Germany must be rearmed, something its neighbors would accept only if Eu-

rope was unified politically. Donovan's position was said to be that Europe must be united and strengthened to resist communism.

The Rebattet thesis makes clear that the biggest outlay of secret U.S. funds went to finance the European Youth Campaign. Between 1951 and 1959, this outfit got \$3.8 million in hidden subsidies.

Rebattet says this group was heavily supported because John J. McCloy, then the U.S. high commissioner in Germany, was impressed by a 1951 Communist youth rally that drew 2 million to East Berlin. McCloy wanted the west to match it, but the Europeans successfully resisted staging what was said to be such a crude propaganda exercise.

They got their money anyway, and Rebattet gives this breakdown of activities that the funds financed in 1952: 1,889 study sessions or congresses; 90 film showings; 1,748,149 brochures in 10 languages; 21 exhibitions; and printing of 2,765,650 periodicals.

Rebattet says the American committee pushed its scheme for a European army through an action committee for the supranational European Community. He reports that it got all its money from the United States, but only part from government funds. In a six-month period ending on May 31, 1953, the action committee took in \$77,000.

As for Rebattets, Francois Xavier is now 38 and a freelance interpreter. He received his doctorate for the thesis. His father, Georges, now 67, is a consultant to a private welfare agency aiding immigrant workers in France.