

NEWS

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CIA Ties Alleged**Labor Group Sued Here**

By JULIAN MORRISON ✓

A boarding house operator has sued a Washington-based labor organization, reportedly having close financial ties with the Central Intelligence Agency, for an alleged breach of contract she says cost her \$90,000.

The suit was brought by Mrs. Louise Cossetti, an Italian immigrant who operates boarding houses in the 2000 block of 20th-st nw and at 1886 Wyoming-av nw, against the American Institute for Free Labor Development of 1925 K-st nw.

Her complaint, filed in U.S. District Court here, says AIFLD contracted with her in November, 1963, to house a maximum of 25 Latin American "students" in her boarding houses during all but 10 weeks of 1964.

A letter from AIFLD to Mrs. Cossetti shows that the Institute reserved the right to terminate the contract if her services should not be "reasonably satisfactory."

But, she said, the contract was abruptly canceled in July, 1964, by the labor organization altho its officials admitted in writing that difficulties had arisen "really thru no fault of yours."

The "students" housed by Mrs. Cossetti were said to be young South American labor leaders brought to this country to be trained by the AIFLD. It has been charged, however, that they were, in effect, turned into trained CIA agents during their schooling here.

Last year, United Auto Workers Union International Affairs director Victor Reuther charged AIFLD with being a CIA front organization, a charge that has been heatedly denied by AFL-

CIO president George Meany, who is listed in Mrs. Cossetti's suit as a defendant.

(Some labor union observers said Mr. Reuther's accusation might be an attempt to embarrass Mr. Meany and his foreign policy advisor, Jay Lovestone, since Mr. Reuther and his brother, Walter, have long disagreed with the union's foreign affairs activities.)

(Supporters of AIFLD say that it is financed solely by contributions from business firms, labor unions and the Agency for International Development.)

Altho Victor Reuther could not be reached for comment yesterday, he was quoted earlier this year as saying that the CIA's alleged involvement with the AIFLD is "a lot bigger story" than the disclosures last winter that the spy agency had been supporting various student groups here and abroad.

In her suit, Mrs. Cossetti said the AIFLD promise to rent her boarding house caused her to go to great expense to fix it up and hire a staff, including a bilingual waitress for the dining room.

The labor organization, she said, even spelled out that its "students" would attend courses held three times a year and that she might be expected to house smaller numbers of students taking part in "special courses" from time to time "while the main groups are in recess." She also said AIFLD told her that "during each one of the courses the students will go away for one or two weeks for a field trip."

But, apparently, things went badly from the beginning, because before half the contract had run out, Mrs. Cossetti received a letter cancelling it.

The letter said, in part, "We have tried an experiment where we thought that we could properly feed and house the students with a minimum of problems.

"Because of the various dietary customs of the different countries represented by our students, we have had many complaints, (but) really thru no fault of yours," the termination letter said.