

# Board votes against CIA,

## for AID help

A statement opposing acceptance of secret funds but endorsing use of public funds for overseas and domestic cooperative development was adopted by the Co-op's Board of Directors at its meeting Monday, June 12, at Geary Road. The vote was six in favor and three opposed.

Submitted by Gerald Rubin of Marin County, who first raised the question of CIA involvement in contributions to the Cooperative League of the USA via various conduit foundations, the statement proposed the following:

- That the Cooperative League, the Fund for International Cooperative Development, and all other related agencies immediately

- discontinue any further assistance from CIA or other secret government sources, if they have not done so already.

- That the League continue and extend the present public agreements with federal agencies to the extent necessary and possible so as to continue its worthwhile work here and overseas.

- That the League, if necessary, seek sponsorship of legislation to make further public funds available for overseas and domestic cooperative development.

- That the League seek as a long term goal the transfer of overseas cooperative development work to the International Cooperative Alliance or other international agency, so that the international spirit of aid can be more clearly expressed.

- That the League seek additional support from private agencies and co-op members everywhere, including our 41,000 members, to supplant the rejected secret funds.

- That Robert Neptune as our regional representative on the board of the Cooperative League be asked to pursue vigorously adoption of the above policy.

- That this statement be sent to all board members of the Cooperative League and be published in the Co-op NEWS.

Directors who voted for the statement were Ed Barankin, Anne Dorst, Oliver Gilbert, Marge Hayakawa, Carroll Melbin, and Clinton White. Those who voted against it were Bob Arnold, Maudelle Shirek, and Bob Treuhaft.

In his preamble to the proposals Rubin said, "We have every confidence in Jerry Voorhis and the leadership of the Fund for International Cooperative Development. They have declared that they did not know that the primary source of the funds was CIA, although they were channeled through private foundations. Indeed, it would be

highly unusual for any recipient of foundation funds to either have this information or even to request information as to who the primary donors were.

"However, when secret government funds are involved there can be very serious consequences. There can be the suspicion that there is an ulterior purpose, other than developing cooperatives. There can be suspicion on the part of the recipient about whether he is being aided or being used."

In the debate on the motion to accept the statement, Treuhaft, speaking in opposition, said he approved the statement insofar as it attacked secrecy, but he was opposed also to the use of government funds openly used, namely the funds made available to the League through contracts with the Agency for International Development (AID). He said that in using these funds the League was "fronting" for the State Department, which could not get governments in the developing nations to accept its largesse, but which would accept it if it appeared to be "people to people." He said the State Department wasn't interested in building co-ops in South America or in Southeast Asia.

Arnold opposed the statement because he felt the League should not work with any government.

Alternate Dave Bortin supported the Rubin proposals because he felt the League should not be subverted through secrecy, secret strings, or secret influence. But he felt that international cooperative development was a legitimate objective of cooperatives and of governments. He said he was for using the money of the wealthy nations to foster cooperatives in developing nations. "We should not begrudge the small portion of our tax funds used for this purpose." He said if Treuhaft could locate the source of AID funds any other government could because there was no secrecy involved.

Barankin, in supporting the motion, said, "In this instance, the cooperatives are not the agents of the government; the government is the agent of the cooperatives. The State Department or government isn't doing this directly because they would get objection from people back home who don't like cooperative development, not objections from the other country."

A subsequent motion, made by Treuhaft and seconded by Arnold, to appoint a committee to investigate use by the League of State Department, AID and CIA funds was defeated for lack of a majority. Treuhaft, Arnold, and Mrs. Shirek voted for it. Gilbert, Barankin, and Mrs. Hayakawa voted against it. Mrs. Dorst, Melbin, and White abstained.