

\$257,455 Channeled to NSA

Local Agency Tied to CIA Funds

By ROBERT M. SMITH

CPYRGHT

An inspection of records filed in the state attorney general's office disclosed Wednesday that the Independence Foundation contributed a total of \$257,455 to the National Student Association between 1962 and 1965.

The foundation has been listed by Ramparts magazine as one of the channels used by the Central Intelligence Agency to provide funds to NSA. The trustees of the fund could not be reached for comment.

The reports to the state Division of Public Charities also show that, from 1961 to 1963, the foundation spent more than \$127,000 on "expenditures through foundation agents covering editing, publishing and distributing publications in Latin America dealing with and explaining the United States "free enterprise" economic system."

Other recipients of the founda-

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tion's money in 1965, the last year for which a report has been filed, include:

- James T. Hendrick of Champagne, Ill., a former NSA staff member now at Harvard Law School;
- The International Marketing Institute, a Cambridge organization that does advisory and research work in the developing countries and conducts summer sessions on marketing practices for foreign students;
- The Independent Research Service, a reportedly defunct New York corporation;
- A New York-based organization called Interchange that could not be reached for comment Wednesday.

"It all begins to fall into place" said Hendrick, 24, of 60 Myrtle St., a third-year student at Harvard Law.

Hendrick spent 1963-64 working full-time for NSA as an assistant to the vice-president for international affairs. One of his jobs was to approach various organizations for contributions.

"There were some programs that were funded by the Independence Foundation," he said. "I don't know how much more about raising that money than money from other sources . . ."

Hendrick was given a \$1400 scholarship by the Independence Foundation after his year at NSA, when he came to Harvard. "I had had some contact with Mr. Paul Hellmuth at the Foundation," he said. "He knew I was coming up to law school here."

The Foundation's reports show that it had given several other scholarships to individuals in earlier years.

Hendrick said that he had been given a 2-A (occupational) deferment while he was working for NSA. "It was based on working for NSA," he explained, "and was pretty standard. That's what most of us got."

"Its basis was that NSA was an important national student association and was fulfilling important national functions. . . . Also, if we weren't working for NSA, we would have been in school and would have gotten student deferments."

He said it was his impression that the number of NSA staffers with 2-A deferments decreased as the Vietnam war heated up.

Trustees Listed

The trustees of the Foundation are listed as David B. Stone, 447 Westfield St., Dedham, a vice-president of the securities firm of Hayden, Stone, Inc., and Paul F. Hellmuth, 100 Memorial Dr., Cambridge, a partner in the law firm of Hale and Dorr.

Stone was reported to be out of the state Wednesday. Hellmuth could not be reached. An employe of Hale and Dorr, which represents the Foundation, said, "A trustee said no information is to be given out."

Other trustees listed include the Sidney and Esther Rabb Charitable Foundation,

\$6,000 to NSA, according to records filed with the state.

The only trustee listed for that foundation is Sidney R. Fabb, 65 Commonwealth Ave., who is chairman of the board and treasurer of Stop & Shop Corp. He was reported Wednesday to be sailing off the Florida coast.

Contributors to the Independence Foundation in 1962 included Carl M. Loeb, Rhoades, Inc.; Socony Mobil Oil Co.; Sears, Roebuck & Co.; Kerr-McGee Oil Industries; the Edsel Fund.

From 1961 to 1963, the money the Foundation spent on publications dealing with the American free-enterprise system for Latin America dropped from about \$66,000 to \$18,000. In 1964 and 1965 it lists no money spent for that purpose.

At the same time, the number of contributing companies and groups dropped from 13 in 1961 to five in 1963. By 1963, none of the companies listed above was still contributing.

In 1965, the Foundation recorded contributions from the Tower Fund, the Victoria Strauss Trust, the John G. Thornton Trust and Francis Crane. No addresses are given.