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Ex-Official of Agency Says Victor Made Request

Reuther Concedes UAW Got CIA Funds

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THOMAS W. BRADEN
... discloses CIA move

Walter P. Reuther conceded yesterday that the United Auto Workers accepted CIA funds in "an emergency situation" during the rebuilding of the European labor movement 15 years ago.

But the union since then has resisted such covert financing to maintain its "independence and integrity," the UAW President said.

And Reuther also revealed his brother, Victor, "emphatically rejected" a request that he become a CIA agent under cover of his job as European representative of the CIO.

Walter Reuther's statement, issued in Detroit, followed revelation by Thomas W. Braden that he created the CIA program of subsidizing labor unions and student groups in 1950. Public disclosure of the program earlier this year set off a storm of controversy.

Braden, former aide to the then CIA Director Allen Dulles, said that without the program France and Italy might well have gone Communist.

At his request, Braden said, the American Federation of Labor, "undertook the job of bribing some of the Communist workers" who were sabotaging Marshall Plan cargoes in Europe.

He also said that Jay Love-

stone and Irving Brown of the International Ladies Garment Workers Union organized a non-Communist union in France in 1947 when a Communist-led strike in Paris brought fears of a government takeover.

"When they ran out of money, they appealed to the CIA," said Braden. "Thus began the secret subsidy of free trade unions which soon spread to Italy. Without that subsidy, postwar history might have gone very differently."

(The Associated Press reported that the CIA would have no comment on the contents of Braden's article. A spokesman was quoted as saying: "We had no part in it, nor any prior knowledge of the author's intent to write. We deeply regret that he did write it.")

Lovestone has adamantly denied charges by Victor Reuther and others that he has been involved in the CIA apparatus in his present job as director of the international affairs department of the AFL-CIO. He has, however, said he forwarded information to interested Federal departments or agencies, "as would any patriotic American."

Similarly, AFL-CIO President George Meany has denied any knowledge of the Federation or its affiliates receiving funds from the CIA, although at least two affiliates — the American Newspaper Guild and the American Federation of State, County and Municipal Employees—have admitted doing so in the past.

The period covered by the Braden revelations, 1950 to 1954, preceded the AFL-CIO merger. During part of this period the late William Green

headed the old AFL; Meany was president during the remainder.

Braden, former West Coast newspaper publisher and one-time president of the California Board of Education who unsuccessfully ran for lieutenant governor last year, was interviewed by the Los Angeles Times. He also tells his story in the forthcoming issue of the Saturday Evening Post.

Braden said Victor Reuther "should be ashamed of himself" for criticizing CIA involvement in the labor movement.

At Victor Reuther's request, "I personally went to Detroit and gave Walter Reuther \$50,000 in \$50 bills to influence labor unions in West Germany," Braden said.

Braden said, Walter gave the money to Victor Reuther who spent it with "something less than perfect wisdom." The money went to German unions who were already anti-Communist and not seriously short of money, Braden said.

Walter Reuther said Braden's reference to the Auto Workers were "incomplete and misleading."

Explaining that European unions, the first victims of Hitler's tyranny, were poor, weak and vulnerable to Communist subversion after World War II, Reuther said, "In this emergency situation 15 years ago, the UAW did agree reluctantly on one occasion to the request to transmit government funds to supplement the inadequate funds being made available by the American labor movement.

"These monies were merely added to the trade union funds to intensify the education and organization programs then



WALTER REUTHER
... 'an emergency situation'

under way in Europe. The content of the programs was in no way affected or altered.

"Following this incident," Walter continued, Braden asked Victor to become a CIA agent, using his position as European representative of the CIO as a "front."

Victor's rejection of the request was reviewed by the late Philip Murray, then CIO president, who agreed with the action, with the earlier acceptance of CIA funds and with the decision "not again to transmit government funds, regardless of the need or urgency," Reuther said.

In New York last night, Braden told the Associated Press:

"In my opinion both Walter and Victor Reuther behaved as responsible and patriotic American citizens during a time of great crisis for the United States and the Free World. I did not ask Victor to be an agent, but I do believe Victor behaved in a most responsible fashion."