E = 349,508S = 566,562

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Futile CIA Moves to Cut Outlays To Private Groups Reported

WASHINGTON, Feb. 22—The Central Intelligence Agency sought to curtail its financing or private organizations in the gast but ran into objections from other arms of the Government, says Senator Milton R. Young (Rep.), North Dakota.

Young said every investment the CIA made in an organization outside the Government was undertaken on written instructions apparently from the National Security Council.

He said the spy agency's checks were subject to scrutiny in the Bureau of the Budget, like the Security Council, a White House agency.

Young said in some instances CIA financial support originally was promoted by the State Department.

Young, senior Republican on the Senate panel that oversees CIA financing and operation, said the intelligence agency was trying to get some of its instructions changed prior to the public storm that broke last week with disclosure that it had been subsidizing the National Student Association.

Young said secrecy restrictions barred his giving a more detailed description. He talked after CIA director Richard Helms briefed the Senate panel for three hours yesterday. Helms met also with the House Foreign Affairs Committee.

Senator Richard B. Russell (Dem.), Georgia, chairman of the Senate subcommittee, said Helms reported the agency was withdrawing financial support of some private organizations.

He would not quote Helms further. Russell did not make clear whether the Helms report. involved a halt in aid to groups still secretly receiving CIA funds. Helms would not answer reporters' questions after the hearing.

"Mr. Helms cleared up a lot of things," said Senator Stuart Symington (Dem.), Missouri, "the policies of the CIA are not set by the CIA. This is an operating agency, operating under the instructions and policies of others."

The President, who is responsible for the administration of the entire security and intelligence operation of the government, would not necessarily know the details of the CIA subsidies to private groups, Young said.

Senator Russell confirmed that he had known and approved of the CIA subsidies to NSA.

"I have not been able to see where the CIA subverted the youth of this land," he said. "Not a single bit of evidence has been brought forward to show this,"

Sources close to President Johnson said he would make no statement about CIA subsidies until a panel of three government officials completed its review of the situation.

The sources said Mr. Johnson did not want to prejudge the case, wants solid facts before speaking publicly and wants the benefit of judgment and recommendations of the investing panel of Helms, Under Secretary of State Nicholas Katzenbach and Secretary of Health, Education and Welfare John W. Gardner.

elms met also with the House The National Council of oreign Affairs Committee. Churches announced that it had Senator Richard B. Russell received minor financial aid in Dem.), Georgia, chairman of three instances from foundate Senate subcommittee, said tions linked to the CIA.

The council is the co-operating agency for 34 Protestant and Eastern Orthodox denominations.

Dr. R. H. Edwin Espy of New York, general secretary of the council, said it "had no knowlege at any time that any of these gifts may have had any link with CIA involvement."