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Kennedy: Aid Goes to CIA Forces

Sen. Edward M. Kennedy (D-Mass.) charged yesterday that nearly half of all American aid for war refugees is being supplied to guerrilla forces directed by the Central Intelligence Agency.

Since 1968 the Agency for International Development has allotted \$54.8 million to Laos for refugee relief. These are funds for medical supplies, hospitals, resettlement and other supplies and services.

"Until recent times," Kennedy said, "the U.S. AID refugee program was simply a euphemism to cover American assistance to persons who agreed to take up arms against the Pathet Lao."

"A very significant measure of this assistance apparently continues," Kennedy said.

AID Administrator John A. Hannah publicly admitted last June that when he took office he was unhappy to find that since 1962 CIA agents were using the civilian agency as a cover for their operations. Hannah said, "Our preference is to get rid of this operation."

Kennedy said some of the financing has been transferred to the Defense Department in the last two or three years. But Kennedy's Senate Judiciary Subcommittee on Refugees made public censored versions of General Accounting Office reports with summaries indicating continued assistance to CIA-directed forces.

The subcommittee report said that while "AID officials generally recognize that economic assistance funds should not be used as a cover to finance military activities, AID has apparently continued to furnish substantial amounts of medical supplies to Lao military, et al." The report estimated that half of the funds currently going to the AID Village Health Project, which has received \$3.4 million between 1964 and 1970, is being used for this purpose.

An AID spokesman said that AID does not exclude from assistance those who have been or may in future be engaged in fighting against North Vietnamese or Communist Pathet Lao. The spokesman said, "A relatively small percentage of refugees are irregular or paramilitary forces who, because they have been displaced and are needy, are therefore as much refugees as other Lao who have not been engaged in the fighting. A larger percentage of the total are dependents of such people."

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