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UAW cooperated

CIA funds helped European unionists

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Walter P. Reuther, president of the United Automobile Workers of America, conceded this week that Central Intelligence Agency money was channeled overseas through UAW and other American unions following the end of World War II to help rebuild a free labor movement "destroyed as the first victim of Hitler's tyranny and brutality."

But, Mr. Reuther said, UAW agreed to do this "reluctantly" on one occasion only, at the request of the government, and subsequently decided "not again to transmit government funds, regardless of the need or urgency."

The second decision followed a proposal that Victor Reuther, Walter's brother, "become an agent for the CIA, using as a 'front' his position as European representative of the Congress of Industrial Organizations," Mr. Reuther said.

This was considered by UAW's leaders a "disturbing" proposal "to resist Communist subversion . . . on a basis which would . . . compromise the basic integrity and independence of the American labor movement." Victor Reuther rejected the proposal. Philip Murray, then president of CIO, supported the decision.

Reply to story

Walter Reuther's statement from Detroit was in reply to a published report by a former top CIA official of "\$50,000 in \$50 bills" sent to German unions through UAW. Writing in the Saturday Evening Post, Thomas W. Braden, founder of CIA's International Organizations Division, said:

"At his [Walter Reuther's] request, I went to Detroit one morning and gave Walter \$50,000 in \$50 bills. Victor spent the money, mostly in West Germany, to bolster labor unions there. He tried 'undercover techniques.' In my opinion, and that of my peers in the CIA, he spent it with less than perfect wisdom."

Mr. Braden explained later that "the German unions he chose to help weren't seriously short of money and were already anti-Communist." The CIA money, he said, "would have done much more good where unions were tying up ports at the order of Communist leaders."

Several unions aided

But, Mr. Braden said, he didn't intend this as "a serious charge" against Victor Reuther, who he said "behaved as a responsible and patriotic American citizen in helping his government combat Communism in labor unions abroad."

He denied, however, that CIA had tried to recruit Victor Reuther as a CIA agent.

The new revelations by Mr. Braden, assistant to then CIA Deputy Director Allan W. Dulles from 1950 to 1954, cover an earlier period than the accounts in March of a flow of CIA money to student organizations, unions, and labor-backed operations.

One labor man in Washington called them "old-hat" reports of what was going on 15 to 20 years ago.

But, according to Victor Reuther and others, the activities reported by Mr. Braden set the pattern for what was going on until recently—union acceptance of CIA funds to supplement labor's own money for anti-Communist operations abroad.

According to Mr. Braden, money was routed to European unions through a number of American unions — including the International Ladies' Garment Workers' Union, headed by David Dubinsky, a strong internationalist with a hate of communism, and through Jay Lovestone and Irving Brown, then in ILGWU and now international-affairs expert of AFL-CIO.

Critics say the federation must "bear the trademark CIA because of the role of Meany, Dubinsky, Lovestone, and their associates."

In 1947, according to Mr. Braden, a French Communist union led a strike in Paris and nearly paralyzed the French economy. A Communist take-over of the French Government appeared possible. Mr. Lovestone, assistant to David Dubinsky, then president of ILGWU, went to work.

French group formed

"With funds from Dubinsky's union, they organized Force Ouvriere, a non-Communist union. When they ran out of money, they appealed to the CIA. Thus began the secret subsidy of free trade unions, which soon spread to Italy," Mr. Braden wrote in his Post article.

Mr. Braden also reported that CIA financed the organization of seamen's unions in India and the Baltic ports of Scandinavian countries, and that it helped break the Communist grip on dock unions that obstructed United States shipments.

In 1950, he said, \$15,000 was used to "pay off strong-arm squads in Mediterranean ports so that American supplies could be unloaded against the opposition of Communist dock workers."

And, Mr. Braden said, "It was also my idea to give cash, along with advice to other labor leaders, to students, professors and others who could help the United States in the battle with Communist ports," at home

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