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WASHINGTON STATE

JUL 16 1957

CIA 'D.' DRCE' COSTLY

Student Group Faces Cosm, Rent Troubles

By the Associated Press

The National Student Association, which briefly diverted the Central Intelligence Agency in February, is having difficulties stemming from the former relationship.

Such ideas were embarrassed when the student-CIA ties were disclosed by former NSA chief.

The NSA got bristled from its members for accepting money from a government agency that spies and intercepts the CIA budget like an undercover agent who drops his badge at a State meeting.

But the student association still has its national headquarters in two expensive buildings in New York, and it is paying nothing for them under an agreement with the Independence Foundation of Boston.

The foundation, the NSA president says, is a CIA conduit.

Wish to Keep Quiet

W. Eugene Groves, president of the NSA, says the foundation is not trying to collect rent. It simply wants to be rid of its tenants. The students want to keep their headquarters, but they don't want the CIA to pay for it.

"They are in the hot seat and want us out of the building," says Groves. "We had one meeting with the attorney for the CIA. He was rather easily using a lot of kind words that we purchased very easily."

What Kind of Benefits?

"One is trying to get the Independence Foundation to either buy the houses or to no longer own the building."

The CIA, being in the security business, want comment on every aspect of student life. Groves says any thought of treason could be fatal.

"How would it stand if it became known the CIA was trying to push a house or building out of their hands?" he asked.



National Student Association employe Robert Harwood outside Washington headquarters.

Contributors Listed

The Independence Foundation in the years 1954 through 1956 listed contributions to the NSA of \$25,000, \$20,000 and \$25,000. Reports for later years were not on file at the Foundation library in Washington. Efforts to reach a spokesman for the Independence Foundation were unsuccessful.

Groves says the Independence Foundation and two other foundations now are submitting bills not connected with the rent. They have been making for payment of things they had not provided before. Groves says, in effect, they allowed or encouraged us to get into debt. He says \$25,000 to \$25,000 over our budget in the last two or three years and now they are trying to pull the strings out.

A spokesman for the Foundation for Youth and Student Affairs in New York, one of the groups Groves says is pushing for money, said: "We are not presenting them. There are a number of projects for which we are working on in 1957; for which it is expected to be needed this year. In a number of cases the NSA underwrote so a balance is due the Foundation. This is not a CIA thing."

The Foundation Named

The third foundation named by Groves was the Student Foundation of Boston, for 50 problems could be resolved.

"When we were on good terms, the CIA would pick up the deficit," Groves says. "This year budget will balance but we will make up the deficit in another year."

The NSA budget for its two cities more than 100 members. Student government is \$100,000 this year. A subsidiary, Educational Travel, Inc., in New York has a budget of \$100,000. The money comes through various firms, including a number from the Federal government.

"What we need now is stable money to buy the building and then we have an extra to borrow," Groves says. "We need \$100,000 so we can put up the building."

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