

Democracy or destabilization? What the NED funds in Eurasia

The published list of current and recent grants by the National Endowment for Democracy (NED), to support organizations and activities in north-central Eurasia, is excerpted below. We provide some annotation in brackets, to assist in comparing this flow of official U.S. funds, with the painful and dangerous fracturing of Russia, chronicled by Roman Bessonov in this issue's installment of his "The Anti-Utopia in Power" series.

As William Jones reported in his introduction to Bessonov's series (*EIR*, Aug. 9, 1996), the NED is officially styled as "a nonprofit, bipartisan, grant-making organization," whose aim is to "strengthen democratic institutions around the world through nongovernmental efforts." Funded by Congressional appropriation, "the Endowment's worldwide grants program assists organizations abroad—including political parties, business, labor, civic education, media, human rights and other groups—that are working for democratic goals."

As government covert operations drew unwelcome attention from Congress during the 1970s, it was deemed desirable to "privatize" many intelligence operations, making them immune to Congressional oversight. The NED was established as a "private" entity in 1983, in order to shield it from the depth of scrutiny a fully public organization would incur.

President Reagan announced the creation of the NED in a 1982 speech delivered at Westminster, in England. In testimony at congressional hearings on the Iran-Contra scandal, Walter Raymond, National Security Council staffer for "Project Democracy" operations in the mid-1980s, revealed that that speech was co-drafted for Reagan by Lawrence Eagleburger, Henry Kissinger's close associate.

The legislation that established the NED created a new species, the "quasi-autonomous non-governmental organization," or "quango." There are four main quangos under the NED: the International Republican Institute (IRI, run by the Republican Party), the National Democratic Institute for International Affairs (NDI, Democratic Party-dominated), the Center for International Private Enterprise for business, and the Free Trade Union Institute for Labor.

'Democracy' in Russia

John Brademas, chairman of the National Endowment for Democracy, in the NED's Summer 1996 newsletter:

"To judge from the participation in the parliamentary and presidential contests, Russian citizens are truly politically engaged. On June 16, 70% of the electorate voted; on July 3, 69%! Boris Yeltsin made a remarkable comeback, from leading Communist Party chief Gennadi Zyuganov by 35% to 32% in the first round to achieving a landslide triumph of nearly 54% to 40% in the second. Democratic leaders around the world voiced great relief. . . .

"While Russia's progress toward democracy has been the historic achievement of the Russian people, I am proud to recognize the important assistance given to Russian democrats by the Endowment and its four core institutes. I want especially to commend the Endowment's party institutes (the NDI and the IRI) for the training they provided over the past six years to reform candidates and party activists. The modest expenditure of U.S. tax dollars in this effort may be one of the most cost effective investments in peace and security in our nation's history."

Lyndon H. LaRouche, Jr., in his October 1996 Presidential campaign paper, *The Blunder in U.S. National Security Policy*:

"A short-lived democracy in Russia was brought to an end by artillery-fire against the parliament, during October 1993. Both the rebellious spirit of that suppressed parliament, and the shelling, were prompted by the pressure of the 'IMF conditionalities' introduced in accord with the 'New Morgenthau Plan' geopolitics of Prime Minister Thatcher and her familiar, President Bush. Thus, in the hallowed name of 'democracy' and 'market economy,' a short-lived genuine political democracy was destroyed in Russia, as real democracy is repeatedly destroyed, all in the name of 'democracy' and 'free trade,' in Central and South America."

LaRouche's diagnosis and the fairy tale from Brademas may be usefully contrasted, against the backdrop of Roman Bessonov's articles, beginning with his report (*EIR*, Sept. 6, 1996) on how organized crime took charge of the Russian economy, on the wings of the "free market" reform. In his *Blunder* paper, LaRouche recalled William F. Buckley, Jr.'s acknowledgement of how hostile to democracy is the Mont Pelerin Society brand of economics, imposed on Russia: "It is possible," Buckley said, "that Milton Friedman's policies suffer from the overriding disqualification that they simply cannot get a sufficient exercise in democratic situations."

Some 1994 and 1995 NED grants

The following are excerpts from the published list of NED grants. Our comments are in brackets:

Russia

Former Soviet dissidents Yelena Bonner and Sergei Kovalyov were honored at the NED's Fifth World Conference on Democracy, May 1-2, 1995, in Washington. Among the other Russians in attendance were Galina Starovoitova, Sergei Grigoryants of the Glasnost Public Foundation, and Andrei Vasilevsky, head of the Panorama Information and Research Center.

Center for International Private Enterprise—\$110,025. To help educate Russia's younger generation in the basics of economics and the free market by developing instructional materials for a high school curriculum entitled "Economics for Young Russians."

Center for International Private Enterprise—\$94,316. To enable the Center for Political Technology to engage in research and advocacy on the role of business associations.

Free Trade Union Institute—\$1,046,232. To support democratic worker organizations in Russia, including education and training activities, and continued support to *Delo*, a Russian newspaper covering developments in the independent trade union movement and industrial relations, as well as the operation of FTUI's Moscow field office and five small liaison offices located in major Russian industrial centers.

[The FTUI, formed in 1977, continues an earlier U.S. government-funded AFL-CIO project, the Free Trade Union Committee. It is the only one of the core NED quangos that existed prior to the NED. The FTUC had been run by Irving Brown, who was in charge of AFL-CIO operations in Europe in the post-war period, then succeeded Jay Lovestone as head of the AFL-CIO's international department. His mentor, Lovestone, had led a Bukharinite faction in the Communist Party U.S.A., before becoming a specialist, for U.S. intelligence agencies, in subversive operations under trade union cover.]

Freedom House—\$11,000. To enable Panorama, an independent Russian information and analysis group, to produce a study on the various extremist groups in Russia.

[Founded in 1941, Freedom House is the leading private intelligence organization of "social democratic" coloration in the United States. From its inception, Freedom House was closely allied with the networks of Jay Lovestone and Irving Brown. Leo Cherne, who chaired the organization for over 40 years, was vice-chairman of the President's Foreign Intelligence Advisory Board during the Reagan administration, when the NED was created. A close ally of George Bush, Cherne oversaw much of the private intelligence apparatus used in bankrolling the Afghan mujahideen, and funding the

Contras, as well as arming groups in Iran.]

Freedom House—\$44,000. To enable Panorama to publish a reference guide to regional politics in Russia, including information about local politicians, administrative structures, political parties, and independent organizations.

[Typical of the guidance provided by Panorama was its position on the Democratic Union, Russia's first political party to declare itself in opposition to the CPSU (1988). In 1993, an official at the U.S. embassy in Moscow cited the Panorama guide in support of his view that, insofar as leading Democratic Union figures had taken positions opposed to Yeltsin, that group could no longer be considered a "pro-reform," or "democratic" movement.]

Glasnost Defense Foundation—\$44,000. To publish five books on issues of importance to journalists and state officials who deal with journalists, including a book on violations of journalists' rights during the military campaign in Chechnya, a guidebook of key information for journalists reporting from conflict zones, an annual report of all violations of journalists' rights throughout the former Soviet Union, an anthology of legislation concerning media issues, and an anthology of proposed codes of ethics for media agencies.

Glasnost Public Foundation—\$52,150, \$53,170. To review the activities of Russia's intelligence services; to examine the political influence of the secret service and the relationship between the secret service and Russia's new commercial structures; and to organize a legal consultation service to review cases involving the violation of human rights by the security services. [In 1995, also] to update its data bank on the KGB and its successor institutions.

Interlegal—\$49,278. To enable this Moscow-based group to serve as a clearinghouse for non-governmental organizations' activity in Russia; provide legal advice to nonprofit organizations; and work with the legislative and executive branches in the drafting of relevant national legislation.

[See previous article, p. 26, on some of the Russian personnel of Interlegal, among whom was Galina Starovoitova's ally, Yuri Nesterov.]

Jamestown Foundation—\$24,590. To enable the Globe Independent Press Syndicate to serve as an information clearinghouse for the various democratic blocs in preparation for the Russian national and local elections.

New Times (Novoye Vremya)—\$38,200. To enable this Moscow-based journal to respond to the growing threat to democracy from anti-democratic groups and ideologies by publishing articles on Russian nationalism and other right-wing extremist trends.

Panorama—\$40,000. To research, analyze, and publish comprehensive reports on the December 1995 parliamentary and the June 1996 presidential elections.

Partners for Democratic Change—\$65,000. To promote the development of public mediation centers in Moscow, Krasnodar, Arkhangelsk, and Khabarovsk which will

provide training in negotiation skills, cooperative planning, and public mediation.

Russian Center for Citizenship Education—\$15,000. To enable this Moscow-based grassroots network to conduct a series of public policy workshops aimed at developing the knowledge, skills, and habits necessary for conducting productive civil discourse, especially among provincial teachers and civic activists.

St. Petersburg STRATEGY Center—\$40,000. To analyze the third sector in St. Petersburg; and to conduct a series of workshops and a conference on NGO development.

Azerbaijan

Democracy Development Fund of Azerbaijan—\$30,000. To enable this Baku-based organization to conduct educational programs, promote public policy debate, and publish a bulletin aimed at strengthening democratic values and civil society in Azerbaijan.

Armenia

Center for International Private Enterprise—\$91,688. On behalf of Technical Assistance for the Republic of Armenia (TARA), to provide consultations and organizational advice to businesses and associations such as the All Armenia Women's Union; to mobilize and train advocacy groups; to remove obstacles to private sector development; and to advise small-scale entrepreneurs on business plans.

Belarus

Center for International Private Enterprise—\$73,313. On behalf of the Independent Institute of Socio-Economic and Political Research, to analyze the impact of free-market economic principles in the activities of political and economic leaders, and to commission a national survey of attitudes toward privatization and market reforms.

Georgia

National Peace Foundation—\$55,000. To enable the Caucasian Institute for Peace, Democracy and Development in Tbilisi to conduct a series of programs to help promote democratic and free-market values and consider solutions to the problems of the democratic transition in Georgia and the Caucasus.

Kazakhstan

ARKOR Foundation—\$30,000. To establish an Inter-ethnic Relations Monitoring Center; and to provide an open forum for political parties, government officials, and others to discuss inter-ethnic issues and formulate policy recommendations on how to ameliorate tensions.

Free Trade Union Institute—\$329,565. To support the Independent Trade Union Center of Kazakhstan and its network in ten oblasts; and to conduct training to strengthen democratic workers' organizations.

Kyrgyzstan

Center for International Private Enterprise—\$88,152. To provide entrepreneurship development training for Kyrgyz entrepreneurs, managers of entrepreneur associations, journalists writing on economic issues, business school instructors, and government officials of agencies pertinent to small business development.

Tajikistan

Glasnost Defense Fund Light of Day Journal—\$40,000, \$50,000. To support the publication of *Charoghi Ruz* (*Light of Day*), an independent Tajik-language newspaper providing information not available in the state media on current events in Tajikistan, human rights issues, and the positions of a wide spectrum of the country's political forces.

[According to a Moscow source who worked with *Charoghi Ruz*, the paper served as a mouthpiece for the Tajik opposition group of Akbar Turajonzoda (see *EIR*, April 12, 1996, pp. 44-48, for Ramtanu and Susan Maitra's dossier on the Tajikistan civil war and its relationship with Afghanistan). Besides this apparent indirect funding from the NED, Tajik opposition figures have been supported by the Washington-based U.S. Institute of Peace, a USAID-funded private organization in the NED orbit, directed by former U.S. Ambassador to Pakistan Robert Oakley. Tajik opposition candidate (in 1991) Davlat Hudonazarov was a USIP "peace fellow" in Washington in 1995. In February of that year, the USIP funded a U.S. tour for Turajonzoda and Muhammadsharif Himmatzoda, of Hudonazarov's Movement for Islamic Revival. That movement has collaborated with the Taliban in Afghanistan, although Turajonzoda claims to be "strictly observing neutrality" toward the current strife there.]

Turkmenistan

Dashkhovuz Ecological Club—\$15,000. To increase information available on a local level; to establish a system to deliver print media from Russia and other former Soviet republics; and to create a Dashkhovuz Public Information Center to house publications and other materials.

Ukraine

Center for International Private Enterprise—\$153,427. To enable the Association of Entrepreneurs of Ukraine to raise the level of entrepreneurial activity in the country by expanding its database of economic information, identifying barriers to development of key sectors of the economy, and providing training in privatization and business practices.

Freedom House—\$62,838. To enable the Democratic Initiatives Research and Educational Center to conduct nationwide and regional public opinion polls designed to provide democratically-oriented politicians with reliable, unbiased information on the political attitudes of the Ukrainians.

International Republican Institute—\$333,210. To

conduct a multi-faceted program designed to prepare parties for the 1994 parliamentary and presidential elections in Ukraine, including civic education, poll watcher training, and technical assistance; and to field an election monitoring team for the parliamentary elections.

[The IRI's standard of "civic education" is suggested by a briefing sheet used in one of its Russian-language youth programs, which advised that before addressing an audience, "It is useful to tell oneself: • I can reduce my viewpoint to one sentence, and my basic thoughts to three; . . . • I have written the main points of my speech in different colors on cards . . . and not forgotten to number the cards, in case I drop them."]

International Republican Institute—\$36,925. To enable Democratic Initiatives to compile and publish a "Directory of Elected Officials," including national parliamentarians as well as members and chairpersons of local councils throughout Ukraine.

Ukrainian Center for Independent Political Research—\$82,000. To support its public affairs television program P'yaty Kut ("Fifth Corner"), which focuses on issues relating to democratic and free-market transition; to continue providing information and analysis on the current situation of women; to encourage the formation of new women's associations; and to publish a yearbook, Democracy in Ukraine, 1994-1995, assessing the transition to democracy.

Uzbekistan

Foundation for Eurasia—\$45,000. To enable a group of leading opposition figures and journalists from Uzbekistan to publish and distribute the Forum, a pro-democracy newspaper featuring news, information, and analysis otherwise unavailable in the country.

National Democratic Institute for International Affairs—\$64,484. To encourage dialogue among the Uzbek democratic opposition, and between the opposition and the government; to bring together political activists in an effort to better coordinate activities and agree on a common strategy and program; and to encourage the government to recognize opposition forces.

Regional

National Democratic Institute for International Affairs—\$142,785. To conduct a joint program with the Turkish Democracy Foundation for participants from Azerbaijan, Georgia, Kazakhstan, Kyrgyzstan, Turkmenistan, and Uzbekistan focusing on the importance of a multipartisan political process in promoting democratic reform.

Union of Councils—\$75,000. To support the work of its Central Asian Human Rights Information and Monitoring Network, particularly in Tajikistan, Turkmenistan, and Uzbekistan, including publication and distribution of biweekly information bulletins.

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