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## WITHDRAWAL SHEET

### Ronald Reagan Library

Withdrawer Collection Name RAYMOND, WALTER: FILES SMF 7/14/2011 IPROJECT TRUTH, PROJECT DEMOCRACY, PUBLIC **FOIA** File Folder DIPLOMACY, AND NED NOVEMBER 1982] M430 7 LAMB, **Box Number** CHRISTOPHER **Doc Date Restrictions ID Doc Type Document Description** No of AFRICAN AMERICAN LABOR CENTER AND 9/1/1982 **B1** 115093 SUMMARY ITS ACTIVITIES IN AFRICA 8/27/1999 NLSF95-041/2 34 **P5** 115094 MEMO RAYMOND TO CLARK RE AMERICAN 9/29/1982 **B**1 POLITICAL FOUNDATION (APF) STUDY 5/10/2013 M430/2 2 11/17/1982 B1 MCFARLANE TO HELMAN, ET AL RE 115095 MEMO PUBLIC DIPLOMACY-PROJECT DEMOCRACY 8/27/1999 R NLSF95-041/2 #35 2 11/15/1982 B1 **P5** RAYMOND/SMMER TO MCFARLANE RE 115098 MEMO PUBLIC DIPLOMACY-PROJECT DEMOCRACY 5/10/2013 M430/2 **DUPLICATE OF 115098** 2 11/15/1982 B1 115099 MEMO R 5/10/2013 M430/2MCFARLANE TO HELMAN ET AL RE PUBLIC ND **B1** 115100 MEMO DIPLOMACY-PROJECT DEMOCRACY 8/27/1999 NLSF95-041/2 # 36 115101 MEMO RAYMOND TO CLAR RE DEMOCRACY 11/4/1982 B<sub>1</sub> INITIATIVE R 7/19/2000 NLSF95-041/2 # 37 115102 MEMO DRAFT CLARK TO RR RE PUBLIC ND **B1** DIPLOMACY 8/27/1999 NLSF95-041/2 # 38

Freedom of Information Act - [5 U.S.C. 552(b)]

B-1 National security classified information [(b)(1) of the FOIA]

B-3 Release would violate a Federal statute [(b)(3) of the FOIA]

B-2 Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]

B-4 Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]

B-6 Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]

B-7 Release would disclose Information compiled for law enforcement purposes [(b)(7) of the FOIA]

B-8 Release would disclose information concerning the regulation of financial institutions [(b)(6) of the FOIA]

B-9 Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

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<b>Collection Name</b>	RAYMOND, WALTER: FILES		Withdrawer				
					SMF	7/14/2011	
File Folder	[PROJECT TRUTH, PROJECT DEMOCRACY, PUBLIC			FOL	A		
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115121 MEMO	RAY		O MCFARLANE RE	_ 2	11/3/1982	B1	
	R	8/27/1999	NLSF95-041/2 # 3	39			
115122 MEMO		MOND/SUMMER TOING FOR DEMOC	O MCFARLANE RE	1	10/27/1982	B1	
	R	8/27/1999	NLSF95-041/2 # 4	10			
115123 MEMO	FOR '		MEETING WITH AL	2	ND	B1 P5	
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115124 MEMO	RAY	MOND TO CLARK	RE APF STUDY	1	9/29/1982	B1 P5	
	R	5/10/2013	M430/2				
115125 MEMO		TI FOR UNDER SE ECT DEMOCRACY		1	ND	P5	
115126 MEMO	DRAI	FT RE PROJECT DE	EMOCRACY	1	11/24/1982	B1	
	R	8/27/1999	NLSF95-041/2 #4	1			
115127 NOTES	RE D	SCUSSION WITH	AL KEEL	1	ND	P5	
115128 NOTES	RE PO	DLAND		1	ND	B1	
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115129 NOTES	лм т	O WALT RE PROJ	ECT DEMOCRACY	. 1	11/15/1982	P5	

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Collection Name RAYMOND, WALTER: FILES

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Withdrawer

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File Folder

PROJECT TRUTH, PROJECT DEMOCRACY, PUBLIC

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Doc	ument Description	on	No of	And a second second	Restrictions
			1	ND	B1
R	7/3/2000	NLSF95-041/2 #43	2		
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Archivist: lov Collection: RAYMOND, WALTER: Files

File Folder: [Project Truth, Project Democracy, Public

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
1: summary	Africa (4) NLSF 95-04/12 734	9/1/82	P1-
2. memo [6729]	Raymond to William Clark, re APF study (1)	9/29/82	Ry 81
3. memo [7927]	Robert McFarlane to Helman, Stilwell, Thompson, re-Public Diplomacy-Project Democracy (2) -95-04/12 #35	-11/17/82	PI
4. memo [7927]	Raymond and Sommer to McFarlane, re Public Diplomacy-Project Democracy (2)	11/15/82	Ry BI
5. memo [7927]	Raymond and Sommer to McFarlane, re Public Diplomacy-Project Democracy (2)	11/15/82	RA BI
6. memo [7927]	McFarlane to Helman, Stilwell, Shompson, re Public Diplomacy-Project Democracy (2) VLJ F97-041/2 #36	nd	P1
7. memo	Raymond to Clark, re Democracy Initiative (1)  A 7/19/00 ULSF95-041/2 # 3799	11/4/82	PI
8 memo	draft, Clark to RR, re Public Diplomacy (2) 2 695.04/12 195	-nd	PI
9. memo [7428]	Raymond, Summer to McFarlane, re funding for Democracy Project (2) 257/99  ALSF 95-04/12 # 39	11/3/ <del>82</del>	PI
10. memo [7428 Revised]	-Raymond and Sommer to McFarlage, re funding for -Project Democracy (1) R 8/37/79 -Project Democracy (1) R 8/37/79	10/27/82	P1
11. memo [7428]	For the Record, re meeting with Al Keel (2)	nd	DI BI
12. memo [6729]	Raymond to Clark, re APF study (1)	9/29/82	RI BI
13. memo	draft, for Under Sec Damm, re Project Democracy	nd	PS do religio

### RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]
P-1 National security classified information [(a)(1) of the PRA].
P-2 Relating to appointment to Federal office [(a)(2) of the PRA].
P-3 Release would violate a Federal statute ([a)(3) of the PRA].
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[(a)(4) of the PRA]. Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA].

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Freedom of information Act - [5 U.S.C. 552(b)]

Date: January 27, 1998

F-1 National security classified information ((b)(1) of the FOIA).
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FOIA]. Release would disclose information compiled for law enforcement purposes [(b)(7) of

the FOIA]. Release would disclose information compiled for law enforcement purposes ((b)(8) of F-8

F-9 Release would disclose geological or geophysical information concerning wells [(b)(9) the FOIA].

Collection: RAYMOND, WALTER: Files

Archivist: lov

File Folder: [Project Truth, Project Democracy, Public

Date: January 27, 1998

Diplomacy, and NED 11/82] OA 91162

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
14. memo	draft, re Project Democracy (1) NLSF 95-041/2 #41	11/24/82	P1-C
15 notes	re discussion with Al Keel (1)	nd	P5 \$ (2/4/00
16. notes	re Poland (1) NESF 95-041/2 # 42	<del>nd</del>	P1
17. notes	Jim to Walt, re Project Democracy (1)	11/15/82	P5 03 12/4/0
18. memo	Diplomacy/Political Action (1)  R 1/3/00 NLSF 95-041/2 # 4	nd 3	PI
19. outline	re Labor (3) R 7/3/00 NLSF95-041/2 #		Pl
20. list	example of institute funding (1)  R 7/3/00 NCSF95-041/	nd	Pl

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- P-6
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Collection: RAYMOND, WALTER: Files Archivist: lov

File Folder: [Project Truth, Project Democracy, Public

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
1: summary	African American Labor Center and Its Activities in Africa (4) NLSF 95-041/2 734	9/1/82	PI
2. memo [6729]	Raymond to William Clark, re APF study (1)	9/29/82	P1 P5
3. memo [7927]	Public Diplomacy-Project Democracy (2) -95-04/12 #35	11/17/82	PI
4. memo [7927]	Raymond and Sommer to McFarlane, re Public Diplomacy-Project Democracy (2)	11/15/82	P1 P5
5. memo [7927]	Raymond and Sommer to McFarlane, re Public Diplomacy-Project Democracy (2)	11/15/82	P1 P5
6. memo [7927]	McFarlane to Helman, Stilwell, Shompson, re Public Diplomacy-Project Democracy (2) VLJ F97-041/2 #36	nd	Pi
7. memo ·	Raymond to Clark, re Democracy Initiative (1)	11/4/82	Pl
8 memo	draft, Clark to RR, re Public Diplomacy (2) 2 8/37/97	-nd	PI
9. memo [7428]	Raymond, Summer to McFarlane, re funding for Democracy Project (2)  ALS F95-041/2 # 39	11/3/ <del>82</del>	P1
10. memo [7428 Revised]	Project Democracy (1) NSF95-04/ 2 *40	10/27/82	PI
11. memo [7428]	For the Record, re meeting with Al Keel (2)	nd	P1 P5
12. memo [6729]	Raymond to Clark, re APF study (1)	9/29/82	P1 P5
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Collection: RAYMOND, WALTER: Files

Archivist: lov

File Folder: [Project Truth, Project Democracy, Public

Date: January 27, 1998

Diplomacy, and NED 11/82] OA 91162

DOCUMENT NO. AND TYPE	"SUBJECT/TITLE	DATE	RESTRICTION
14. memo	draft, re Project Democracy (1) MSF-95-041 /2 #41	11/24/82	<del>P1-</del>
15 notes	re discussion with Al Keel (1)	nd	P5
16. notes	re Poland (1) NESS 95-041 /2 # 12	<del>nd</del>	P1
17. notes	Jim to Walt, re Project Democracy (1)	11/15/82	P5
18. memo	draft, Raymond to McFarlane, re Public  Diplomacy/Political Action (1)  2 1/3/00 NLSF95-04/2 # 45	nd	PI
19. outline	re Labor (3)  R 7/3/00 NLSF75-041/2 # 6  example of institute funding (1)	nd nd	-P1
	R 7/3/00 NUSF95-041/2	245	

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## CONFIDENTIAL

## The African American Labor Center and Its Activities in Africa

"The reasons for our interest in Africa and our commitment to help African trade unionists are not difficult to understand. They are related to our concerns for free democratic trade union movements all over the world. The AFL-CIO believes that free trade unions are vital to the process of economic and social development. In a world where poverty is all too pervasive, and democratic principles are under attack, the trade union movement can speak with a clear voice on behalf of workers, the poor, and the weak." George Meany, former President, AFL-CIO.

The African American Labor Center (AALC) was created in 1964 by the AFL-CIO to operate programs in Africa upon the invitation of African trade unions and with the consent of the host country governments. The AALC's program for strengthing the labor movements in Africa includes providing training and general support in trade union education, vocational training; social services in the health field for trade union members and their families; and encouraging economic research, the development of cooperatives, and credit unions. A major AALC thrust in recent years has been the development of communications projects that disseminate trade union information throughout the African continent. Although all programs are geared to the eventual assumption of complete control - managerial and financial - by the African labor movement, that is to say to "Africanize" its projects as quickly as possible, this desirable result is not always achieveable.

CONFIDENTIAL

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NARA, DATE 8/27/99

## CONFIDENTIAL

- 2 -

Over the years the AALC has developed working relationships with African missions at the United Nations, the Economic Commission for Africa (ECA), the Organization of African Unity (OAU) and the Organization of African Trade Union Unity (OATUU).

On balance, the AALC is performing a useful function of supporting and encouraging free and independent trade unionism in Africa. Removal of the AALC from Africa would inevitably encourage Soviet and other Eastern bloc "labor organizations" to fill that void. There is no other appropriate American institution that could better promote solidarity between African and American workers.

The principal parties in interest concerning AALC operations in Africa are the Embassies (State Department) and AID missions. This is indicated by AID's contribution of some \$3 million to the annual budget of AALC in addition to the State Department mandate that the American ambassador provide overall supervision and approval of all AALC projects in the respective African countries. It is the relationship of each agency to the AALC that essentially determines how effective the AALC is in meeting U.S. Government foreign policy objectives.

AID has a congressional mandate to focus on reaching the poorest of the poor - the rural poor - and on improving agriculture and health care. Its raison d'etre is economic and social development. The AID program evaluation process with its focus on measurable inputs and outputs sometimes leads to disagreements on the levels of a

## CONFIDENTIAL

- 3 -

effectiveness of AALC's project activities. For example,
AALC's practice of subsidizing salaries of some trade union
officials may achieve a goal of keeping friendly pro-western
individuals in policy-making positions in a trade union
movement. On the other hand, AID usually prefers to subsidize
trade union project activities with more developmental
potential.

The AALC agenda is frequently perceived by some American ambassadors as basically of minor or peripheral importance to the interests of the Embassy. Some of this disinterest may be because of inadequate consultation at many levels as to the purpose and the content of specific AALC programs. The kind of dialogue that can lead to a greater appreciation of the potential impact of the projects, as well as the role of labor, may not have taken place.

AALC, because of its strong fraternal outlook on union-to-union linkages with African unions, has on occasion appeared to view direction and advice from State, AID, and/or Labor Department as making unwarranted intrusions into African labor union matters. This situation may discourage full collaboration between AALC and the U.S. Government (USG) in policy direction to our Africa labor program. In instances of differences of opinion when there are widely varying ideas as to how to approach some of the more complex problems, more consultation and closer coordination would be desirable. However, the AALC's position that it is necessary for it to maintain its independence from the USG is fully appreciated.

- 4 -

A full understanding of labor's role in African society is a prerequisite for comprehending political, economic and cultural developments on the continent. Of equal importance is the point that knowledge of the political, economic and cultural forces at play must precede and accompany any labor program in Africa if it is to be in the best interests of the U.S. and secondarily of the host country. On the African continent where the building of viable institutions is acknowledged to be a primary task, the existence of trade unions and their associated groupings such as cooperatives, credit unions, vocational training centers and the like is frequently overlooked. The AALC is on track in bringing this back on center stage for the USG. When there are disagreements with the USG as to procedures, it is important that AALC knows where and why there are differences and seek to resolve them rationally and reasonably. This suggested modus operandi offers a far better chance of succeeding in generating more support for AALC activities and at the same time contributing to the achievement of U.S. foreign policy goals.

September 1, 1982

CONFIDENTIAL

August, 1982

### THE ASIAN-AMERICAN FREE LABOR INSTITUTE

The Asian-American Free Labor Institute (AAFLI) was founded in 1968 and is one of three regional institutes of the AFL-CIO. Its purpose is to encourage and support the development of strong, independent trade unions through educational, social and "impact" programs.

AAFLI's principal officers are Lane Kirkland, President; Martin J. Ward, Secretary-Treasurer, Morris Paladino, Executive Director; and Charles Gray, Deputy Executive Director. Its headquarters are located at 1125 15th Street, N. W., Suite 401, Washington, D. C. 20005.

Currently, AAFLI's area of responsibility covers all of Asia, as well as the Pacific region, Turkey, Cyprus and, since 1981, Portugal. It has full-time American country directors in eight countries: Thailand, Indonesia, Bangladesh, Turkey, Korea, India, Sri Lanka and the Philippines. Last year it also conducted programs in Malaysia, Fiji, Cyprus, Pakistan and Portugal.

In its 1981 annual Director's Report, AAFLI catagorized its programs as follows: (1) education, (2) consumer cooperatives and credit unions, (3) community development and social projects, (4) impact grants, (5) union-to-union activities, and (6) participant training. The following describes these programs.

1. Education - This program is the cornerstone of AAFLI's activities. Training given under it is designed to develop effective trade union officers and members and to introduce or elucidate techniques of modern, democratic trade unionism.

Since its inception, AAFLI has trained more than 120,000 trade unionists in a broad spectrum of subjects. These include grievance handling, collective bargaining, labor law, arbitration-mediation, union organizing, parliamentary procedures, contract enforcement, etc. During 1981, 21,572 trade unionists participated in 518 AAFLI education programs.

2. Consumer Cooperatives and Credit Unions - AAFLI supports union cooperatives and credit unions by training personnel, providing technical advisers, encouraging regional co-ops, and making small loans or grants to new or struggling co-op ventures. AAFLI recognizes that by participation in a cooperative or credit union, workers receive benefits from union membership even if collective bargaining is inhibited by local

laws or regulations. Last year, AAFLI provided assistance to cooperative ventures in Korea, the Philippines, Sri Lanka, Indonesia, Turkey, Thailand and Fiji.

- 3. Community and Social Projects These projects are aimed at improving the well-being and health of union members, urban and rural. They include the provision of health, nutrition and sanitation information and services; the purchase of seed and fertilizers; as well as assistance in organizing and administering such programs. AAFLI has also provided sewing and knitting machines, mobile health units and social and economic research assistance under this program.
- 4. Impact Projects These are one-time projects to alleviate a particular problem or deal with an emergency. The projects may be humanitarian in nature providing relief to union members who are victims of a natural disaster or to provide a good or service to a union or community project in special circumstances. Impact projects usually do not exceed \$5,000 and are funded by the AFL-CIO. In 1981, four impact projects were initiated. They included the purchase of an auto for the General Workers Union of Portugal, disaster relief for members of a Philippine union, purchase of equipment for an elementary school in Turkey and relief assistance to tea workers following communal disturbances in Sri Lanka.
- 5. Union-to-Union Programs These are designed to strengthen ties between U.S. and counterpart unions in similar crafts and industries. Union-to-union programs are usually carried out by AFL-CIO affiliates or through International Trade Secretariats. The programs frequently take the form of conferences and seminars and may cover a diverse number of topics from basic organizational seminars to highly technical workshops on health and safety, cost-of-living indices and market basket surveys. A common theme of these programs is the increasing convergence of interests among workers, particularly vis-a-vis multinational corporations.

AAFLI support consists of financial aid, program planning and use of AAFLI and in-country staff during the meetings. Since union-to-union programs began in 1968, 61 regional seminars or conferences and 115 country meetings have been held.

6. Participant Training - This program is designed to improve skills of trade unionists in an environment outside the home country. Training is of two sorts. Established Courses of Study are those for which AAFLI provides grants of three to six months for study at universities or trade union education centers. The Specialized Training and Visitor Program involves short-term, non-repetitive activities designed to meet the needs of individuals or small groups, or of a particular union. Last year, the International Communication Agency (now the U.S. Information Agency) provided AAFLI with a small grant to promote the exchange of trade union visits between Moslem Asian countries and the U.S.

Also, AAFLI sent seven grantees to the Afro-Asian Institute for Cooperation, Development and Labor Studies in Tel Aviv. Last year, eight persons participated in the Established Courses program; 49 in the Specialized Training Program.

### COMMENTS

AAFLI is a well-run organization really dedicated to the promotion of democratic trade unionism in its area. Morris Paladino is a rather hard-nosed, intense manager. His staff is highly motivated and technically competent. AAFLI overseas staff have occasionally experienced personal problems in the past, related perhaps to the difficult environments and frustrating conditions under which many of them work. Paladino has always moved rapidly to straighten out these problems or to remove the person involved.

AAFLI has had to retrench in the past year or two due to costs rising faster than funds made available to it. There have been personnel cuts which resulted, in at least one case, in a decrease of staff in an overseas office. AAFLI is known to want to increase its activities in the new island nations of the Southwest Pacific, but has been unable to because of lack of funds. The same is undoubtedly true of other places.

AAFLI recently developed a new program in Malaysia. It provided assistance and direction to local trade union organizing campaigns. It was considered very successful and AAFLI is now thinking about extending this type program to other countries.

After the AFL-CIO's short-lived European Trade Union Institute (ETUI) folded in 1980, AAFLI was approached to take over ETUI's AID-funded operation in Portugal. Primarily through a series of labor leader exchanges, ETUI had sought to support the democratic labor federation, UGT, in its uphill struggle against the larger and better organized Communist-controlled CGPT-Intersindical. An agreement between AAFLI, AID, and the UGT was signed in early 1981. Under the agreement prime emphasis is now placed on training trade unionists in a wide range of labor subjects. The agreement was recently extended.

AAFLI's program in India has suffered from the Indian Government's ambiguous attitude towards AAFLI based on the refusal of the pro-Congress Party national trade union federation to work with AAFLI. Thus, the Indian Government permits AAFLI to operate a limited program in India but refuses to grant long-term visas to its representatives and requires

them to reside in Ahmedabad, the headquarters of the major textile labor federation, rather than in New Delhi.

In order to enhance the appearance of independence, AAFLI prefers to de-emphasize the fact that it receives financial assistance from the United States Information Agency and the Agency for International Development. Also, AAFLI, like other AFL-CIO Institutes, has suffered from innuendoes suggesting that it is connected with a U.S. intelligence organization.

## ASIAN-AMERICAN FREE LABOR INSTITUTE

### STATEMENT OF REVENUE AND EXPENSES AND CHANGES IN NET ASSETS

## YEAR ENDED DECEMBER 31, 1981

77 178 178 178 179 2	,
REVENUE: . Contributions from AFL-CIO for:	•
	\$ 63,000
Operating expenses Impact Projects	40,000
Reimbursement of costs under Grants with:	40,000
Agency for International Development (AID)	4,214,573
International Communications Agency (ICA)	17,706
indefine to make the state of t	
	4,335,279
EXPENSES:	
Expenses reimbursable under AID Grants:	
Washington Administration	.1,502,671
Thailand	416,422
Philippines	410,931
Indonesia	342,066
Turkey	330,551
Korea	242,103
Sri Lanka	: 212,520
Bangladesh	145,734
India	97,549
Portugal	96,735
Union-to-Union Projects	246,701
Participant Training	120,850
Regional (including Cyprus, Fiji and Kalaysia)	49,740
	4,214,573
	4/224/5/5
Expenses reimbursable under ICA Grants	17,706
AAFLI Impact Projects	24,522
Other expenditures not reimbursable	
by AID or ICA	59,837
	*
	4,316,638
EXCESS OF REVENUE OVER EXPENSES	18,641
	. 20 055
NET ASSETS, Beginning of year	29,855
NET ASSETS, End of year	\$ 48,496
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Contact: George E. Agree, (202) 547-4506

# SUMMARY OF PROPOSAL FOR A STUDY OF PROGRAMS TO DEVELOP DEMOCRATIC FORCES ABROAD

#### CONCEPT

Though there is a general consensus of Americans that the opportunities for international peace, justice and prosperity would be enhanced if more governments were democratic, there are few programs or institutions in the United States devoted to development of democratic forces overseas, free political parties, trade unions, newspapers, and enterprises. This is a proposal to study how to create such programs.

Establishing such programs would require the utmost care. Those managing the programs must know the international political environment in which they are working and have a clear idea of what they intend to accomplish. The programs must be free of implication that they are being run by the United States government, yet they must avoid compromising United States national interests and policies. They must be broadly representative of the democratic commitment of American society, yet must not be subject to embroilment in partisan domestic controversies. They may need substantial government funding but must not be vulnerable to alternation of party control and policy. They must have access to substantial private funding without appearing to be the instruments of narrow segments of society.

#### PROPOSAL

It is proposed that a study be undertaken to examine these and other relevant problems and to produce a plan for how the United States can strengthen democratic forces abroad. The study would assess what is currently being done by United States and foreign organizations, the need for additional United States efforts, and would recommend what United States programs and institutions should be created. The study will be conducted in accordance with terms of reference set forth herein and agreed to by all concerned. A staff with appropriate political and world affairs expertise will be recruited. A panel broadly representative of the relevant sectors of American public life will review their work as the study proceeds. The study will be funded through the American Political Foundation (APF). The study will be completed within six months of its inception and will cost in the neighborhood of \$350-400,000.

#### REPORT

The study will produce a report covering the following matters:

1. A comprehensive canvas and analysis of existing international activity in the field of development of democracy, including support activity, by democratic parties, party foundations and other institutions.

This will include the operations of individual parties; international party organizations; and political development aid by governments, labor unions, voluntary organizations and private foundations. Sources will include United States Government agencies and all the above institutions. (It is not intended that existing activities by United States organizations catalogued by this study would be supplanted by new United States programs but rather, it is expected that the climate for such activities would be thereby enriched.)

2. A canvas of needs of democratic forces around the world.

Such forces may include political parties and movements, labor, voluntary organizations, specific government agencies or programs, schools, media, etc. Sources will include United States and other government agencies, German and other party foundations, political party internationals, American voluntary organizations active overseas, etc.

Guidelines will be evaluated by which to judge the democratic character of potential recipients; and procedures will be explored for assuring compatibility with United States interests.

Assistance to democratic forces might be in the form of grants, scholarships, expertise, technology, equipment, international contacts, etc. One kind of assistance might be encouraging the formation of foundations and regional networks among recipients, which would conduct programs similar to our own.

3. Consideration of the possibilities of developing new forms of democratic support not currently undertaken by existing American or foreign institutions.

Among these might be creating an institute to study the mechanisms and opportunities for easing transition from totalitarian or authoritarian to democratic governments. Another might be the establishment of a continuing mechanism for observing elections and encouraging their conduct according to internationally accepted standards.

4. An analysis of the factors that should determine the structure and functions of the American effort.

This analysis will be guided by the following terms of reference:

- a. What institutional framework would best meet the individual needs of the relevant United States political, labor, business and other organizations as well as serve the common objectives overseas (e.g. a single, bipartisan foundation, separate entities directed by each major political party, non-party-affiliated institutions, or some combination of these)? What should be the relationship of a new entity or entities to existing organizations?
- b. What can be done to ensure that the programs created reflect the mainstream of American political thought on a continuing basis, and that they not be captured by special-interest groups that diverge from the American consensus to the right or left?
- c. If the effort is to be bipartisan, how can this be maintained in spite of the alternation of Administrations? Can the terms of service of board members, directors and staff managing the programs be arranged to serve this goal?
- d. If United States programs are going to nurture the germs of democracy in friendly countries that are now under dictatorial rule, they may have to aid groups or individuals that are actively or latently opposed to existing governments, or seen as being so. In this event, what steps can be taken to minimize tension in bilateral relations and avoid the estrangement of these countries from the United States? (A low level of conflict between some of the activities of these programs and non-democratic regimes, however, may not be too great a price to pay for achievement of long-term United States goals.)
- e. How will programs be directed and managed? How will boards of directors or advisory committees be selected, and what will their powers/duties be (e.g., will these groups approve specific projects, issue guidelines or approve an overall plan)?
- f. What will be the relationship between the programs and academic institutions?
- g. What specific activities are to be conducted by the programs?

- h. What activities should be prohibited, and to what extent should the charters or terms of reference for the programs specify these prohibitions?
- i. What activities can prudently be carried out within closed societies? What activities can be carried on outside their borders that would have genuine influence inside?
- j. How can a document, charter, or scope of activities be written so as to ensure balanced treatment of open and closed societies?
- k. Which means of gaining financing are best: totally Congressional, mixed, or totally private?
- 1. What is the appropriate level of participation, if any, by the United States government and Congress?
- m. Which organizational basis is best? Congressional charter, private charter, or some mixture? Which existing models should be followed?
- n. How can programs conduct a creative relationship with non-government organizations in the United States?
- o. What type of organizations, if any, should be set up overseas? Are permanent staffs to be maintained abroad?
- p. How will specific projects be originated, developed and approved?
- q. What is to be the relationship between program staff and United States officials, domestically and while overseas?
- r. How is the existence of programs to be made known, and how will foreigners become able to get in touch with them?
- s. What type of relationship should the programs seek to develop with international organizations that deal with human rights, democratic and related issues, such as UNESCO, the UN Human Rights Commission, and other UN-related bodies?

### 5. How the Study will be carried out.

The study will be reviewed and monitored by a panel of 25 or 30 distinguished Americans representing both parties, the leadership in both houses of Congress, labor, business and other relevant sectors of American life. To do the actual study, there will be a Project Director, Deputy Project Director, three assistants and consultants who are respected authorities in the relevant fields. Committees of the Panel will maintain continuous contact with each major segment of the study and provide ongoing review.

Reports on each section of the study will be prepared by staff and coordinated for presentation and final recommendations by an editorial committee of the Panel. The report will then be referred to the Panel as a whole and to the directors of the American Political Foundation (APF). During the course of the study, every effort will be made to provide panel members with opportunities for direct personal contact with American and foreign institutions involved in democratic support and with present and potential support recipients in foreign countries.

Alternatives will be studied and recommendations made for establishing American democratic support programs. This will include consideration of possible organizations, a multiyear plan of recommended action and financial projections.

### 6. Budget

The study and development of the report will require between \$350-400,000, including travel expenses of staff and some panel members.

The Democracy Initiative, a government-wide, inter-agency program using political action and vigorous public diplomacy, is designed to support democratic political movements worldwide, along with those labor and media organizations and universities that concur with universal democratic ideals. In addition to supporting democratic principals worldwide, it is designed to counter Soviet attempts to weaken the democratic institutions of our friends, drive a wedge between them and the United States, and promote the myth that the Soviet Union is a true friend of the Third World and the political and ideological hope for the masses. To launch an aggressive worldwide effort to build the political, intellectual and social infrastructures that make democracies function worldwide and to counter the Soviets will require an FY '84 funding level of \$100 million.

the fact that the amount of money allocated to this activity in Africa will be further reduced in calendar year 1983 to only \$3,000,000. for all union programs in more than forty countries.

Putting aside the larger problem for the moment there are three key areas in Africa where "traditional" AID-funded program activities are either not possible or not feasible for any number of reasons.

1. Nigeria is the largest most populous and wealthiest nation in Black Africa. In 1975, the old trade union structure was dismantled by the military government and after several years of tribunals, hearings and commissions a new national system of 42 industrial-type trade unions affiliated to one National Trade Union Center was adopted.

The leadership of the 42 industrial unions is roughly split evenly between pro-WFTU and pro-ICFTU supporters. However, the leadership of the National Center, the Nigeria Labour Congress (NLC), is solidly in the hands of the pro-WFTU group. The Soviet group is reported to have expended more than \$500,000 in the last NLC election on behalf of their successful slate. Since assuming control of the NLC, the communist leadership has sent more than 500 Nigerian trade union leaders for training in the Soviet Union and other Eastern Bloc countries. Only some 14 leaders have been brought to the U.S. during the same period.

There exists in Nigeria a non-communist pro-Western group with the potential to turn the tables and take control of the NLC, or barring that to at least establish a counterforce in the country. They obviously cannot do this without assistance from their friends outside. Nigeria is not an AID country and there are no funds available from that source so other sources will have to be found to support this activity.

Finally, on Nigeria it should be stated that the Nigerian government would probably support a program of aid to the pro-Western trade union group.

2. South Africa has significantly changed its labor legislation in the last few years making it possible for a meaningful black or even multi-racial trade union movement to develop. Such a movement as has already emerged is making a significant impact and if it is possible to develop these budding organizations to their full potential there will be

In response to request, I am herewith furnishing a number of projects, and the needs are urgent for this interim period (1982-1984). This had to be done without the facilities and material which author has in Paris.

The state of the second second

### A. France:

- administration of billions of dollars, now controlled by the democratic unions (primarily Force Ouvriere). Elections may be held at end of year or early 1983. The Communist Party and the C.G.T. are preparing to wage an all-out campaign with enormous sums of money at their disposal. The democratic forces are making all sorts of economies (postponing their Congress) to make available funds for the campaign. Their fund should be reinforced (if possible) by an outside assistance of an amount close to \$500,000 (about 50 percent of what they will have themselves). They should know that this is possible before the end of the year.
- .2. Aid to U.N.I. (Union Inter-Universitaire) which is an organization of students and faculty born after the uprising of the students and the monthlong general strike in 1968. The president of the organization is Professor Rougeout (Political Science) and the director is Gerard Daury (physicist). This organization has grown and is the only successful challenge to the communist propaganda and organization in the university field. They are well-structured with brenches all over France in universities, and their votes in recent university elections showed significant progress against the C.P. - supported condidates. They are supported through membership dues, aid from certain employers who work closely with many of our democratic friends in France, Germany and England, and some assistance from the government's educational funds (now diminishing). The activities of this organization included distribution of close to 5,000 copies of Solzhenitsyn's speeches to the AFL-CIO (translated into French), campaign for Solidarnosc with posters and pamphlets, support for the Afghan resistance, etc. (There is a fuller memorandum explaining the organization which can be made available.) There is a need for preliminary support within the coming months of approximately \$250,000.

3. A small but weld-knit group of Sino-Soviet experts which have provided sources of reliable information and reports on international activities of Communist Parties in East and West European countries. These reports have indicated in advance in many cases what eventually happened in numerous situations inclusive even of Hanoi's Party. Copies of such reports can be furnished—which are in my possession. These copies are now in my safekeeping in Paris and can be made available to substantiate the value of committing at least an annual budget of \$100,000 (involves expenses for travel and payments to the reporters). This group (an institute in Paris), directed by a certain Kouznine (in touch with author), maintains discreet contact with internal dissidents in Eastern European Communist Parties. Reports have been received on their contacts, group meetings and reports on WFTU Congress, conferences, etc. (as took place recently in Havana) and other C.P. organizations' meetings.

### B. Portugual:

In addition to aid to UGT which comes only from AID sources through our Asian-American Labor Institute and is limited only to development projects, there is a crying need for funds to aid in the development and training of cadres, organizers and assistance as was given to Poland in the form of technical equipment, etc. Considering the powerful apparat of the C.P.-controlled CFTP, there is a need for an organizational fund of \$500,000 which would permit our friends in the U.G.T. (Socialist and Social Democratic) to go beyond their present restrictions under the rules of AID, as well as the limited amount that AID can give for such an organization. The leaders of this organization work closely with the author of this remorandum and the ICFTU and the AFL-CIO. This also provides for our close cooperation with Mario Soares (leader of the S.P. of Portugal), who is a becoming closer to the position of AFL-CIO in international affai.s

C. Soviet Seaman Program, which is now financed on a small budget of no more than \$40,000 from AFL-CIO and the Dockers Union (Gleason). Can provide confidential report which outlines in some detail the project. To really develop present and possible potential could require close to \$200,000.

- D. A program for development of campaign and organization to take <u>Peace</u> and <u>Disarmament</u> issues away from the Soviets and their allies in the West. Have just started a process to explore this with the World Federation of Veterans, which will meet in Nice during October of this year—an organization which the author helped to bring into being in 1950. It does not include American Legion and V.F.W. whose leaders reject international ties of this nature. We hope to develop many peace ideas and programs with a hard core of the leaders of this world organization, which has affiliates all over the world, inclusive of the Third World. This could eventually require anywhere from \$500,000 to \$1,000,000 but details would not be available until November or December.
- E. The organization of scientists, technicians, etc. which is in process of development, especially after the conference of May 1981 which was organized around the 60th anniversary of the birth of Sakharov. The participants included many Nobel Prize winners. A conference is now being planned for March 1983 and funds will be necessary, especially for travel and honoraria for leading scientists who will deliver a number of papers. This will lay the basis for a continuing program and will furnish the memo explaining the operation. This is being paralleled by an eventual similar effort in Europe. The author is handling these contacts in Europe. There is a need for roughly \$25,000 for the March conference, out of which can come the plan and programs for a permanent program with an annual budget. The March conference will be under the auspices of Columbia University, and the leading spirits are two Soviet dissident mathemeticians, who are absolutely brilliant. (They are David and Gregory Chudnovsky, who are now at Columbia University.)

### F. Poland:

Support is to be given to the Solidarnosc Coordinating Committee (TKK) in Brussels in cooperation with the ICFTU. Milewski has been mandated by the internal "temporary coordinating commission" of ISTU Solidarnosc (under the co-direction of Z. Bujak, W. Frasyniuk, W. Hardek and B. Lis) to direct and coordinate the external activities. This will be supported by both the ICFTU and the W.C.L. and their affiliates. The AFL-CIO should concentrate its efforts through these channels. The affiliates, especially the Italians, have

been the recipients of large sums for their support to Solidarnosc, as have the Swedes. Government funds have been channeled through these trade unions. I am attaching the latest reports and requests from Solidarnosc. Funds for this operation would be essential, especially a small fund of \$50,000 for getting cash into Poland for the small underground committee (as mentioned about). If an overall budget of a moderate nature could be established at first and then increased as the needs develop, this would be complementary to what we do ourselves. Such a fund could start with about \$100,000. (Documents received from Solidarnosc can be furnished for reading purposes to explain in outline form the whole operation.)

In addition to these proposals for operations within Europe, proposals for the interim period on Africa, especially South Africa and Nigeria; and Latin America are attached.

An additional proposal for Fortugal becomes Attachment III.

The following are ideas for projects in Latin America and the Caribbean which either have no funding, insufficient funding or the available funding is almost exhausted.

- 1. In Brazil It would be useful to fund four regional offices of the Instituto Cultural do Trabalho. These offices would be located in Rio Grande do Sol, Belo Horizonte, Fortaleza and Recife; thereby providing the AIFLD-supported ICT with the facilities to more conveniently service the needs of the free trade union movement. Each office would require approximately \$200,000 annually. AID funding is not available at present for this purpose.
- 2. In Bolivia \$150,000 is needed to help the remnants of that trade union movement to survive the attacks of the government during the last few years. The money would be used for direct subsidy of salaries and organizing expenses. No AID funds are available.
- 3. In Peru The current annual subsidy should be increased to \$50,000 to the Confederaction de Trabajadores de Peru. Previous funding by AID will soon be exhausted and additional funds from AID are not expected to continue this help. The only Peruvian labor senator, Julio Cruzado is the Secretary General of the CTP and is in a constant struggle with anti-democratic forces within the trade union movement.
- 4. The Seaman and Waterfront Workers Union of Grenada, headed by Eric Pierre, is the only organized opposition to the Marxist government of Maurice Bishop. \$50,000 annually is needed for operational support for this union's efforts to keep free trade unionism alive under extremely trying circumstances.

An additional \$100,000 is needed to allow exiled Grenadan trade unionists to maintain contact with Pierre and to support his efforts from abroad, as well as internally.

- 5. In both Panama and the Dominican Republic, the AIFLD programs are short-funded by approximately \$100,000 per year each. There seems to be no likely prospect for the necessary increase in AID funding for these programs.
- 6. In Nicaragua Several requirements and/or opportunities exist:
  - (a) \$36,000 annually is needed to provide salaries and administrative expenses to the remnants of the Consejo de Unificacion Sindical (ORIT-ICFTU). This expense is currently being funded by the AFL-CIO Impact Project Fund but it is not

expected that this source will continue to be available.

- (b) \$250,000 is needed to support the agricultural cooperatives founded by CUS and AIFLD in the Chinendega area. These cooperatives, because of their free enterprise orientation, their origins, and their relationship with the CUS, have been the target of repression from the Sandinistas. The repression has taken the form of eliminating their sources of financing.
- (c) Under the direction of Xavier Zavala, an Asociacion de Clubs de Padres de Familia has been founded to help parents combat the Marxist orientation now being provided in the schools. Funding in the amount of \$300,000 is needed.
- (d) The Permanent Human Rights Commission of Nicaragua (not associated with the Sandinista Government) requires a subsidy of \$120,000 annually. This organization, directed by Zavala, is recognized by the OAS.
- (e) \$250,000 annually is needed to allow exiled trade unionists to maintain contact outside Nicaragua and, from outside, to exert influence on trade union activities within Nicaragua.
- 7. In Chile \$120,000 per year is needed to support the Union Democratica de Trabajadores (UDT). The UDT represents the only democratic and anti-communist workers organization in opposition to the Pinochet government. A part of this requested funding has previously been provided by the AFL-CIO Impact Project Fund but his source is now nearly exhausted.
- 8. In Central America an initial input of \$500,000 is needed to establish a publishing house and distribution center for printed materials to counteract the Marxist literature which now dominates the bookstalls of the area. It is anticipated that this publishing house will be located in San Jose, Costa Rica.
- 9. Throughout Latin America, there are several outstanding needs:
  - (a) A \$100,000 fund should be set up to provide relief for democratic trade unionists who are forced to flee their homeland because of the repressive actions of their governments.
  - (b) The funds provided by the AFL-CIO for organizing campaigns have now been exhausted. \$1,000,000 annually could effectively

be used to mount a campaign utilizing some of the 4,500 graduates of the AIFLD program at the George Meany Center and the nearly 400,000 graduates of AIFLD programs in Latin America.

- (c) A fund of \$200,000 is desirable to program hemisphere-wide visits of Polish Solidarity Union representatives and Soviet dissidents to speak to pre-arranged trade union meetings and public forums.
- (d) AIFLD's political theories courses (Marxism vs. Democracy), chiefly conducted by Dan Montenegro, is under-funded by one half. \$200,000 is needed to achieve the full potential of this already successful program.

In Africa the concept of free, democratic trade unionism is under constant attack both from leftist forces aided and directed by the World Federation of Trade Unions (WFTU) and the Soviets, and by ostensibly moderate "democratic" governments seeking to perpetuate themselves.

The WFTU has made serious inroads in Africa in the last 10-15 years and is today on its way to becoming the dominant force in African trade unionism. While the bulk of the National Union Centers are still non-aligned with either East or West those who are affiliated to the WFTU are larger, stronger and more influential than those affiliated to the ICFTU. Of the "non-aligned" National Centers a substantial number are "non-aligned" on the side of the For example, the WFTU has affiliates in Ethiopia, Angola, Congo (B), Namibia (NUNW-SWAPO) and Benin among others and close cooperation and support from Nigeria, Tanzania, Mozambique, Libya and Algeria. The ICFTU on the other hand has affiliated National Centers in Sierra Leone, Liberia, Botswana and Tunisia among others and from time to time can get support from some of the moderate nations such as Ivory Coast, Zaire, Zambia, Kenya and Togo.

A third element in the African trade union picture is the Organisation of African Trade Union Unity (OATUU) created in 1973 by the OAU. Today this organization, while receiving aid from the ICFTU and individual Western trade union groups, follows a line that furthers the interests of the Soviets and the rejectionist Arab states.

There are numerous valid cases for assistance to trade union groups in Africa. Even in some of the places where the WFTU seems now to be dominant there are seeds that could be nurtured that one day might bear fruit. There are also, of course, the groups that still manage to avoid the party takeovers (as in Zambia and Botswana) who need continuing financial and moral support. In addition there are the groups such as Kenya, Liberia and others where trade unionists are working against almost overwhelming odds to advance their cause and to achieve a measure of autonomy and self-sufficiency.

Much of this assistance, particularly to those in the last of these categories, can be managed although not without difficulty, through what could be called the "traditional" methods, that is as part of the development process covering democratic institution building through AID. The limitations on supporting the development of trade unions through these "traditional" means are evident to anyone familiar with the problem. The extent of AID's understanding of this part of the development problem and its commitment to it can be seen in

an immense impact on the economic, social and eventually political structure of the country.

These emerging trade unions are desperate for outside assistance and make constant requests for aid. So far there has been some response but not nearly enough. For example, the Scandinavian trade unions have been able to obtain more than one million dollars from their governments for use in aiding nine union groups in South Africa during 1982; however, this amount is less than half of the amount requested by these nine groups and there are other groups also in need of aid.

Again, this is not an AID country open to the "traditional" development program methods. Attempts are being made to raise funds from sources other than the government but this is a slow process and the amounts are small. In order to make an impact here another source of funds must be found.

You might be interested in the amounts allocated by the Scandinavians for 1982: Norway-217,500 SAR; Sweden-345,000 SAR; Denmark-325,000 SAR; and Holland (FNV)-202,500 SAR.

3. As you know the OAU now appears to be in the throes of a terminal illness. If this is the case then its creature, the OATUU, will also perish. However, it is possible that some sort of pan-African organization or more than one such organization will emerge from the ashes of the OAU's demise. Already many of the group that did attend the abortive OAU session in Libya is talking about this.

If there is to be a realignment of the African states and a continuation of the past efforts to have a pan-African trade union group as a part of this alignment it would seem to be a matter of urgency to assist those trade union leaders involved in building a pro-Western pan-African labor group. Given all the mistakes of the past and the problems of trying to build something from the top down it would still seem to be an ideal moment to be able to participate in the guidance of whatever new groups emerge. Once again this is not the sort of activity to which AID could readily respond.

It is difficult to put a price on any of the three activities suggested above but I would estimate that Nigeria would require a minimum of \$250,000 a year for five years while South Africa would probably require a minimum of \$500,000 a year for an indefinite period. The pan-African project could probably be done for somewhat less depending on the number of countries attracted to the organization and the extent to which it would be decided to support ongoing activities of such a group. In the initial organizing stages I would estimate a need for between \$150,000 and \$250,000.

6480X 11/23/82

Re: Project Democracy

To: Jim Huntley From: H. Edelhertz

This is to supplement my earlier "stream of consciousness" memo, following on our discussion to day.

First, I had to talk with Uri Raanan at Fletcher about our organized crime project. In the course of this I mentioned the problem we are talking about here. The first thing he told me was that they had two case studies at Fletcher, one dealing with the Greek and another dealing with the Portuguese experience that you mentioned. If we should go forward, tapping this kind of body of information would be most helpful. I think that Raanan would be a very real asset here as well. Raanan also suggested that we might consider breaking the problem into two parts: (1) support to efforts to return to democracy, and (2) support to transitions to democracy.

Second, as to the additional material, I would suggest the following:

Battelle is really in a very good position to make a I contribution to the "tool development" effort. I say this for a number of reasons. First, you have been at the center of many of the kinds of issue development that are most relevant here. Second, our organization is strongly interdisciplinary and is in a position to call on a great many bodies of expertise. example, we have people here who are most knowledgable with respect to the electoral process, organizational issues, economic-political interfaces, foreign aid and development, . etc. As you know I have had a great deal of experience in the area of tool development, and conferences pointed toward outputs that would result in program implementation. Also, as you know, I am in a position to make contributions in the area of dealing with when the barriers to success that are posed by corruption of social and economic processes. And all of us are in a position to identify others that could join with us in development of the kind of tools outlined above.

As to a method of proceeding, I would suggest that it is much too early to launch a full-scale tool development effort. We simply do not know enough at this time. I am afraid that to get moving on the main effort prematurely would not only be a waste of money but would also make it less likely that we would be able to produce truly worthwhile and relevant "tools". What I suggest, therefore, is that consideration be given to a scoping study, somewhat along the lines of what I did when I worked (with people from federal, state, and local law enforcement agencies) on the development of a national strategy to contain economic (white-collar) crime. The approach there was to do an extremely detailed study, to "put together a book" that would be used to orchestrate a conference at which researchers and practitioners could consider how to rationally join together to resolve turf and other problems to achieve mutual objectives. The "conference book" in essence was the

launching platform for a rational and organized exploration of the topic. We also developed a detailed rapporteurial account of what took place at the conference, so designed as to be almost a blueprint for next implementation steps. In that instance the results were substantial: major funding for large scale implementation in 64 jurisdictions throughout the U.S., major moves that involved the U.S. Department of Justice, the National Association of Attorneys General, the National District Attorneys Association, two national conferences attended by practically every federal department and agency and by many state and local government agencies, and a substantial start on coordinated action by all these agencies.

While I recognize that the subject matter here is quite different, it would appear that the approach would be fruitful. At the end of such scoping study we would be in a position to design and launch an action effort to develop the kinds of tools discussed above. Also, I would envision a free-standing document coming out of this effort (very much like that which came out of the National Strategy Effort discussed above, which resulted in a book), which would be useful to (1) those in countries seeking to achieve and institutionalize democracy, by giving them an annotated framework to guide their thinking about the relevant issues, barriers to success, and some ways to go about their programs; (2) our foreign policy agencies and organizations, by giving them an annotated background of such issues, barriers, and approaches, to help them sensitively respond to opportunities to foster democratic developments abroad.

Cle Sitt ie alway Ata

23 November 1982

Dr. Scott Thompson
Associate Director for Grants
U.S. Information Agency
1776 Pennsylvania Avenue NW
Washington, DC 20547

Dear Scott:

It was a great pleasure to meet you and have a chance to talk, however briefly, about the President's democracy initiative. On the afternoon of our breakfast Robert Kiernan and I also had a good chat, as you suggested. You are right: he is a bright young man and I'm sure will be of great help to you.

During my visit to Washington I also had a long talk with Allen Weinstein, and still another personal chat with Ambassador Helman. I came away with the feeling that you three, plus Walt Raymond, together represent the Government's main conceptual focus on the democracy initiative.

My friend Willem van Eekelen, who has just become Minister for European Affairs on the new Dutch cabinet, gave me some Council of Europe papers which contain reference to the Council's plans for "the world's largest gathering of pluralist paliamentary democracies" in Strasbourg, October 1983. I told you that I understood there also was to be a preliminary "colloquium" in Strasbourg in the spring, but I did not see it referred to in the enclosed Council of Europe paper. However, I have written to van Eekelen for clarification on that point; if you are in a hurry, I am sure the Consul General in Strasbourg can provide it more quickly.

My own recommendation would be that our Government prepare to get behind the Council of Europe meeting(s) in every possible way, with other countries taking the initiative and our government helping unobtrusively to make the exercise much richer and more productive than it might otherwise be.

I spoke to you and to Kiernan briefly about the "CCDs" (Committees for a Community of Democracies). I enclose a few

papers about them. Only recently organized, they are in a formative stage. You will note some distinguished Americans on the CCD "Advisory Council," and also the perhaps less-well known but unusually experienced group who are doing most of the work. In the judgment of our Committees, President Reagan's June 8 speech could well be a document of great historical importance, providing unusual opportunities for our nation. However, in our opinion, the ideal of "community" should be coupled with that of "democracy" to give the idea conceptual wholeness and full political meaning. What shall we have accomplished if we manage to strengthen the domestic practice of democracy in a number of places but do not also bring about closer unity of policy and action between democracies in the defense of democracy? An article by Thomas Stern of the CCD/DC (enclosed) makes this point well, I think. (Stern, incidentally, is incorrectly identified in the article: he is Treasurer of the Committee for a Community of Democracies, District of Columbia, and a former Foreign Service officer.)

I spoke to Bill Olson, who is co-chairman (with me) of the CCD/DC and Dean of American University's School of International Service, about my conversation with you. Bill is immensely well-informed on both foreign policy and democracy; you may recall his book (now in the 6th edition), The Theory and Practice of International Relations. Bill is also an expert on Congress and foreign policy. He will be contacting your secretary to perhaps arrange a meal with you and one or two of our other CCD members, to see how the CCD can help.

Finally, I am sending you under separate cover a copy of my book, Uniting the Democracies, which lays out some of the thinking behind the work of the CCDs and I think makes a number of the same points contained in the President's 8 June speech. I hope this will be useful to you.

I am ready and willing to help you in any way I can, Scott. I am sending back to Walt Raymond, for example, the current draft budget submission for "project democracy," with some comments. Weinstein has many of my papers and I have offered to help him. My three days in Washington opened up contacts with a number of people in various agencies. I believe Walt Raymond will be consulting with you about ways in which my services can be made available on a more substantial basis through a consulting

Dr. S. Thompson

arrangement with Battelle. Interim arrangements may have to precede more long range ones. From my point of view, the sooner we make such plans concrete the better, because Battelle and I must plan with a certain amount of lead time.

It was excellent to meet you and I'm looking forward to our next get together.

Cordially,

James R. Huntley Battelle Fellow and Senior Advisor

Enclosures:

Council of Europe documents CCD London Declaration 11/7/82

CCD Advisory Council

CCD/London members; CCD/DC members

T. Stern article

(Under separate cover) Uniting the Democracies

cc: W. Raymond

JRH/mc

James R. Huntley

Battelle

Seminars and Studies Program

4000 N.E. 41st Street

4000 N.E. 41st Street P.O. Box C-5395 Seattle, Washington 98105



Mr. Walter Raymond
National Security Council
Room 300
Old Executive Office Building
Washington, DC 20506

### NATIONAL SECURITY COUNCIL

SECRET

November 17, 1982

6729

ACTION

MEMORANDUM FOR WILLIAM P. CLARK

FROM:

WALTER RAYMOND, JR.

SUBJECT:

American Political Foundation Study

The announcement of the formation of the Democracy Study group is a useful peg on which to express our appreciation to Bill Brock for his efforts.

Bill has done an excellent job in overcoming a series of difficult diplomatic moments in stitching together a top flight board. Attached herewith is a letter of appreciation for his efforts.

### Recommendation

That you send the attached letter to Bill Brock.

APPROVED DISAPPROVED

### Attachment

Tab I Letter to Bill Brock for signature.

Authority WHITE HOUSE GUIDELINES, 8/28/97

BY POV NARA, Date 12/29/97

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### THE WHITE HOUSE

WASHINGTON

Dear Bill,

I was delighted to see the public announcement launching the bipartisan democracy initiative. As we all know this is a very important step in the implementation of the policy articulated by the President at Westminster last June. I look forward with great interest to the development of this program and believe it may prove to be one of the most important contributions of this Administration.

I would like to extend my personal congratulations to you for getting the program launched. I know that there were a number of difficult moments in putting together the executive board. One glance at the composition of the executive board underscores that you did an excellent job as it is broad, powerful and truly bipartisan.

Again let me express my best wishes for a job well done and hope for success as the program proceeds forward.

William P. Clark

Mr. William E. Brock III Chairman American Political Foundation 2100 Pennsylvania Avenue, NW Suite 716 Washington, D.C. 20037

### NATIONAL SECURITY COUNCIL

115094

SECRET

September 29, 1982

ACTION

DECLASSIFIED

MEMORANDUM FOR WILLIAM P. CLARK

NLRR M430/2 # 115094

FROM:

WALTER RAYMOND, JR.

BY KAL NARA DATES/10/13

SUBJECT:

American Political Foundation Study

I had lunch on September 27 with George Agree, Executive Director of the American Political Foundation, to review progress on APF efforts to carry forward with the President's challenge as stated in his Westminister speech. Progress on this issue can be measured in baby steps. I would like to finalize the suggestion which I made to you in the weekly report of September 24.

First of all some background. There has been agreement concerning the executive committee for the Democracy Institute study. been expanded to 11 to meet Chuck Manatt's request. It includes RNC Chairman plus Dick Allen; DNC Chairman plus 2 (probably Representative Fascell (Florida) and Senator Dodd); APF President Brock plus Tom Reed; Ben Wattenberg, Lane Kirkland and Mike Samuels. In Manatt's eyes it is now a 5-5 split plus Ben Wattenberg. next step is to clarify the directorship of the study. The Republicans want Allen Weinstein, and he wants to serve as a single director. The Democrats want co-directors: Weinstein plus Al Friendly. This is being debated to see if some sort of a formula can be found.

Bill Brock has done an excellent job trying to work his way through a series of political postures being taken by both sides. I think it would be very timely to invite Bill Brock over to endorse his efforts and underscore to him that, as the President of the American Political Foundation, he has the White House mandate to get on with the job. My sense is that the time is right to give him this "pat on the back." If you think it would be useful, I can give you a more detailed background briefing and could participate in the session. In letter

# RECOMMENDATION

1.	That you efforts.	invite	Bill	Brock	over	for	a	brief	meeting	to	endorse
his	efforts.							1 1 1	0		

Approve	#			
- 1				

Disapprove \_\_\_\_\_

2. That I join you at this session so that I can follow up with Brock in the development of this activity.

Approve	

Disapprove

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file:

### THE WHITE HOUSE

WASHINGTON

SECRET

November 17, 1982

MEMORANDUM FOR AMBASSADOR GERALD HELMAN
Deputy to the Under Secretary
for Political Affairs
Department of State

GENERAL RICHARD G. STILWELL
Deputy Under Secretary of Defense
for Policy

MR. W. SCOTT THOMPSON Associate Director, Bureau of Programs United States Information Agency

SUBJECT:

Public Diplomacy -- Project Democracy (U)

As you are aware, the Ad Hoc Working Group's efforts to foster public diplomacy have most recently focused on finding FY 83 funds to initiate our efforts now. Following extensive discussions, I believe that we should focus our efforts on a full policy presentation to the 98th Congress shortly after it convenes in January 1983.

Before formally seeking Congressional funding we need specific Presidential endorsement via the NSDD on Public Diplomacy. We are currently working toward obtaining Presidential signature.

There is, however, considerable preparatory work that the concerned departments and agencies can begin now so we will be in a position to move out smartly early in the new Congress. We need to begin work on the following:

- 1. Presidential approval of the NSDD on Public Diplomacy (Action: NSC).
- 2. A draft Presidential statement launching Project Democracy to be accompanied by a detailed policy paper for presentation to Congress (Action: State).

NLS FESTOY/ 2 #35

BY \_\_\_\_\_ NARA, DATE 8/27/9

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3. Budget submissions for FY 84 should include funds for Public Diplomacy (Action: USIA in close association with State, AID, DoD, and perhaps Labor).

Working on the assumption that we will have Presidential concurrence and present our case to Congress early in 1983, we should further examine steps which we can take within existing authorization to augment our FY 84 request by taking certain steps involving FY 83 funding. These include:

(3)

- 1. Identification of FY 83 funds already available that may be cited for presentational purposes as aimed toward implementating Project Democracy (Action: USIA, State, AID, Defense, and Labor. The NSC Staff will contact Labor separately).
- 2. Identification of FY 83 funds for reprogramming action (USIA, State, AID, Defense, and perhaps Labor). Reprogramming requests, which require Appropriations Committee concurrence, must be supported by a strong budget presentation.
- 3. Preparation of an FY 83 supplemental request.
  USIA should take the lead, but work closely with OMB and the NSC. Under current planning, we envisage that the supplemental funding will be obtained via a "reappropriation" action. Coordination with the other concerned departments to include beefed-up budget supporting documentation is absolutely essential.

I suggest that we meet again on November 30. I hope by that time we will have the NSDD signed. I request that each department/agency come to the meeting equipped with the specifics for reviewing the steps outlined above.

Robert C McFarlane

Deputy Assistant to the President for National Security Affairs

cc Philip A. DuSault, OMB
Robert Searby, Department of Labor
John Bolton, AID

-SECRET

**MEMORANDUM** 

### NATIONAL SECURITY COUNCIL

SECRET

November 15, 1982

ACTION

DECLASSIFIED

MEMORANDUM FOR ROBERT C. McFARLANE

NLRR M430/2 #115098

FROM:

WALTER RAYMOND, JR. W.

BY KML NARA DATES/10/13

PETER R. SOMMER ()

SUBJECT:

Public Diplomacy -- Project Democracy

In response to your note to Walt, we appreciate the need to get the NSDD on Public Diplomacy signed. The NSDD, as you noted, would provide the framework to boost "public diplomacy." This would give us an interagency organization which would permit us to marshall governmental resources for a more coherent and integrated approach to public diplomacy strategies, which includes information programs, political aid and the Democracy Project initiative. It would also give us the clout to drive an interagency approach to resource allocations for this activity. The President has already endorsed the "Democracy Project," but he is not personally on board with the broader aspects of "public diplomacy."

We do not want to get out in front of the process, but the budgetary/funding complexities are such that we need to lay the groundwork now to have any hope for early implementation of Porject Democracy following Presidential approval of the NSDD.

To explore the way forward, we had two informal meetings last week with the Ad Hoc Working Group (Scott Thompson, Dick Stilwell, and Jerry Helman). The Working Group, supported by agency budget experts, concluded that it would be nearly impossible to obtain Congressional approval for enhanced funding in the field of public diplomacy -- even for initial funding via reprogramming -- during the lame-duck session. The Working Group was particularly concerned that a push for this activity during the lame-duck session could jeopardize other international broadcasting and foreign assistance requests.

Against this backdrop, the Working Group's consensus was that we should submit a comprehensive plan of action, with a full explanation of Administration plans to expand our work in the field of public diplomacy, very early in the 98th Congress. State would probably spearhead this presentation, which would be in the form of a consolidated budget request for FY 84. OMB has earmarked \$35 million for Public Diplomacy initiatives within

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the USIA budget for FY 84. We understand they have an additional \$100 million unallocated, but identified as available for Public Diplomacy and Lebanon.

If we are to have funding for Public Diplomacy programs before next summer, we need to task the line agencies (with help from OMB) to examine further the possibility of reprogramming some FY 83 funds and reappropriating some FY 83 funds from one agency to another (e.g. refugee money).

Given the complex funding situation associated with these initiatives we suggest that you send the memorandum at Tab I to the Ad Hoc Working Group. It underlines that we will not make a submission to Congress prior to Presidential approval of the NSDD, but asks their departments/agencies to do the necessary preparatory work so we will be ready to move out smartly, hopefully early in the new Congress. Walt could, of course, send the memo, but it would carry considerable more weight if you signed it.

### Recommendation

That you sign the attached memorandum at Tab I to the Ad Hoc Working Group on Public Diplomacy.

Approve	Disapprove
1	

Bob Kimmitt has concurred in the above.

Attachment

Tab I Memorandum to the Working Group on Public Diplomacy for Signature





### NATIONAL SECURITY COUNCIL

115099

SECRET

November 15, 1982

ACTION

MEMORANDUM FOR ROBERT C. McFARLANE

CHED

FROM:

WALTER RAYMOND, JR. W. PETER R. SOMMER (1)

SUBJECT:

Public Diplomacy -- Project Democracy

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NLRR M 430/2 # 115099

BY KML NARA DATE 5/10/13



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Approve	Disapprove

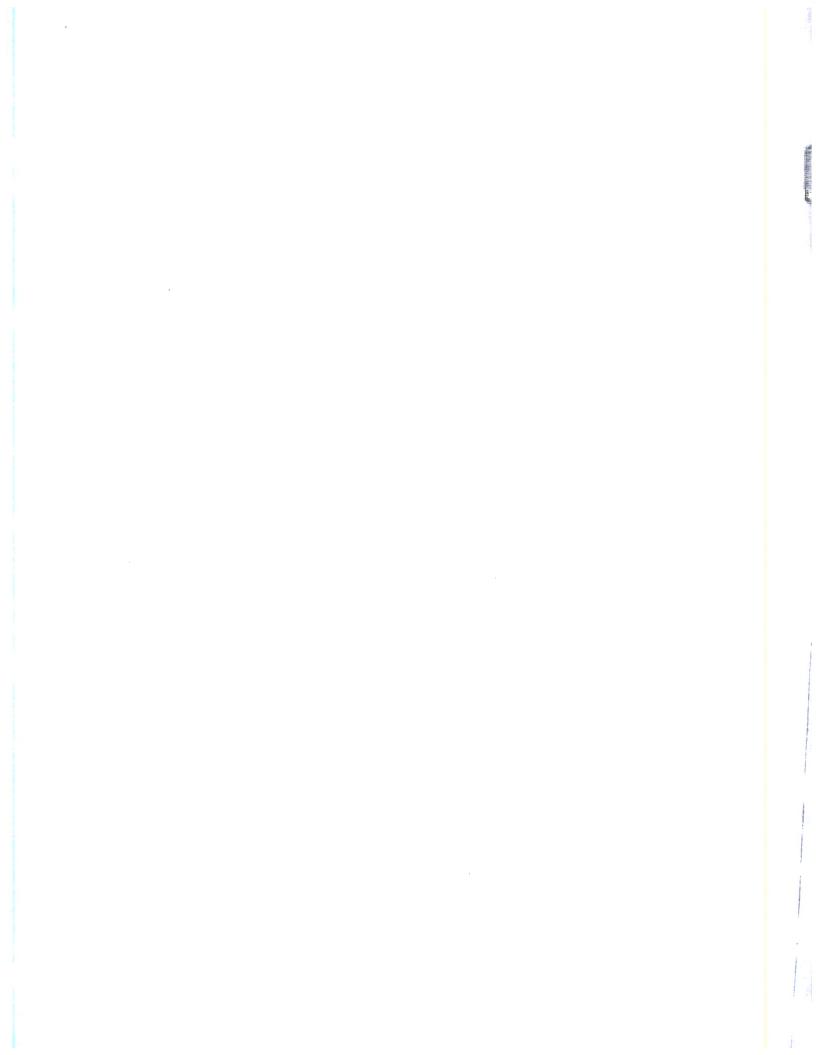
Bob Kimmitt has concurred in the above.

### Attachment

Tab I Memorandum to the Working Group on Public Diplomacy for Signature







### THE WHITE HOUSE

WASHINGTON

SECRET

MEMORANDUM FOR AMBASSADOR GERALD HELMAN
Deputy to the Under Secretary
for Political Affairs
Department of State

GENERAL RICHARD G. STILWELL Deputy Under Secretary of Defense for Policy

MR. W. SCOTT THOMPSON Associate Director, Bureau of Programs United States Information Agency

SUBJECT:

Public Diplomacy -- Project Democracy (U)

As you are aware, the Ad Hoc Working Group's efforts to foster public diplomacy have most recently focused on finding FY 83 funds to initiate our efforts now. Following extensive discussions, I believe that we should focus our efforts on a full policy presentation to the 98th Congress shortly after it convenes in January 1983.

Before formally seeking Congressional funding we need specific Presidential endorsement via the NSDD on Public Diplomacy. We are currently working toward obtaining Presidential signature.

There is, however, considerable preparatory work that the concerned departments and agencies can begin now so we will be in a position to move out smartly early in the new Congress. We need to begin work on the following: (5)

- 1. Presidential approval of the NSDD on Public Diplomacy (Action: NSC).
- 2. A draft Presidential statement launching Project Democracy to be accompanied by a detailed policy paper for presentation to Congress (Action: State).

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NLS E95-041/2#36

NARA, DATE 2/24/34

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### SECRET

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Working on the assumption that we will have Presidential concurrence and present our case to Congress early in 1983, we should further examine steps which we can take within existing authorization to augment our FY 84 request by taking certain steps involving FY 83 funding. These include:

- 1. Identification of FY 83 funds already available that may be cited for presentational purposes as aimed toward implementating Project Democracy (Action: USIA, State, AID, Defense, and Labor. The NSC Staff will contact Labor separately).
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- 3. Preparation of an FY 83 supplemental request. USIA should take the lead, but work closely with OMB and the NSC. Under current planning, we envisage that the supplemental funding will be obtained via a "reappropriation" action. Coordination with the other concerned departments to include beefed-up budget supporting documentation is absolutely essential.

I suggest that we meet again on November 30. I hope by that time we will have the NSDD signed. I request that each department/agency come to the meeting equipped with the specifics for reviewing the steps outlined above.

Robert C. McFarlane Deputy Assistant to the President for National Security Affairs

cc Philip A. DuSault, OMB Robert Searby, Department of Labor John Bolton, AID





# THE WHITE HOUSE WASHINGTON

November 3, 1982

Walt Raymond

Subject: Public Diplomacy--Democracy Project

The more I have thought about this matter the more clear it becomes that we have a great deal to do before we get to the funding issue. I understand the timing with respect to the 84 budget but we are unable to proceed if we don't even have the basic approval of the concept from the President.

After the Aug 30 meeting we had two items to deal with: 1. Organization. This is unresolved and it not at all clear to me that it will be us in the Chair. 2. Resources. This item can only be dealt with by the executive agency (us or State). Assuming that it is us, then we can go ahead in a meeting such as was planned for today, but with the backing of the NSDD, signed by the President.

Before we proceed further, we should first get the NSDD signed. This requires that we get the Chairmanship issue resolved first. I will work on that.

It's conceivable we could get all of this done and the NSDD on the street by the end of next week.

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### **MEMORANDUM**

### NATIONAL SECURITY COUNCIL

SECRET

November 4, 1982

ACTION

WPC HAS SEEN

MEMORANDUM FOR WILLIAM P. CLARK

WA

FROM:

WALTER RAYMOND, JR.

SUBJECT:

Democracy Initiative and Information Programs.

Bill Casey asked me to pass on the following thought concerning your meeting with Dick Scaife, Dave Abshire, and Co. Casey had lunch with them today and discussed the need to get moving in the general area of supporting our friends around the world. By this definition he is including both "building democracy"—the key theme in the President's Westminster speech—and helping invigorate international medéa programs. The DCI is also concerned about strengthening public information organizations in the United States such as Freedom House.

To do this we have identified three overt tracks:

- -- enhanced federal funding;
- -- the Democracy Project study (although publicly funded this will be independently managed);
- -- private funds.

A critical piece of the puzzle is a serious effort to raise private funds to generate momentum. Casey's talk with Scaife and Co. suggests they would be very willing to cooperate.

### RECOMMENDATION

Suggest that you note White House interest in private support for the Democracy initiative.

NLS F95-041/2 = 37

BY And NARA, DATE 7/19/08

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INFORMATION

MEMORANDUM FOR THE PRESIDENT

FROM:

WILLIAM P. CLARK

SUBJECT:

Public Diplomacy relative to National Security

George Shultz called a meeting recently with Cap Weinberger, Bill Casey, Charlie Wick, Frank Shakespeare and Bud McFarlane to discuss the implementation of the major themes of your London speech. focussed on how we can strengthen the forces of democracy throughout the world and how we can more effectively engage in the competition of ideas and values with the Soviets and their allies. There was unanimous agreement that we must identify political action on a high priority in the implementation of our policy on a world-It was evident from our discussion that we have to strengthen tools currently at our disposal, for example our international information and broadcasting programs. We also have to create some new programs, particularly to provide support and training to democratic forces. The private sector must be energized to join us in this effort. Finally, we have to develop a new attitude and approach, one which is more aggressive and forward looking and designed to shape events rather than just react to them. Our success internationally will depend in large measure upon the support we can gain from the American public and the Congress for our foreign policies; we must therefore strengthen our efforts to gain such support.

The first step is to set up a structure to do the job. We have agreed on an NSDD, which is attached for your signature. A special Planning Group (SPG) will set policy and give direction to four committees, dealing with international information, domestic public affairs, international political affairs, and international broadcasting. While the SPG will pull all these activities together, the major burden for this expanded effort will rest with the constituent departments and agencies, particularly State and USIA.

The second step is to determine what new programs are essential now, which of our current programs should be strengthened, and how to secure funding. Our early projections suggest that immediate funding needs are in the \$100 million range. We will schedule an NSC meeting in late October to make some fundamental decisions on these issues. Our intention is to supplement our commitment of public funds with private funds as well. Some of the public funds—which will have to be reprogrammed or be new money—would be allocated to private U.S. organizations which could conduct certain

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NLS 195-041/2 138

NARA, DATE 8/2/99

### SECRET

programs overseas more easily than the USG. We will develop a scenario for obtaining private funding. Charlie Wick has offered to take the lead. We may have to call on you to meet with a group of potential donors.

We are enthusiastic about this initiative and believe this overall approach has the potential for significantly enhancing our ability to project U.S. foreign policy and ideals. At the same time, it should receive popular support in much the same way as your Westminster speech was welcomed as a constructive and timely initiative.

William P. Clark

### ATTACHMENT

TAB I NSDD: Public Diplomacy Relative to National Security

11/1

### THE WHITE HOUSE

WASHINGTON

November 3, 1982

CHRON FILE

MEMORANDUM FOR JAMES A. BAKER, III

FROM:

WILLIAM P. CLARK

SUBJECT:

Democracy Project Study

As you will recall from the President's speech in Westminster in June 1982, the President stated that the chairmen and other leaders of the Republican and Democratic Party national organizations are initiating a bipartisan study to determine how the United States could best contribute to the global campaign for democracy. The first step in this effort is the completion of the study which will take place over the next 6 months. Allan Weinstein has been selected as the study director of the Democracy Project and is working closely with Bill Brock in his capacity as chairman of the American Political Foundation, the two parties, as well as labor and private business representatives.

The executive committee of the Democracy Project which is composed of representatives of the groups noted above, has suggested that Weinstein will be well served by having office space on Capitol Hill. This would permit a deepening of the bipartisan quality of the study. Space could either be in the Capitol itself or one of the congressional office buildings. Space would probably include approximately 5 small offices. I would appreciate it if you could endorse this idea with Senator Baker or with whomever else you believe appropriate.

### NATIONAL SECURITY COUNCIL

October 26, 1982

ACTION

MEMORANDUM FOR WILLIAM P. CLARK

W

SIGNED

FROM:

WALTER RAYMOND, JR.

SUBJECT:

Democracy Project Study

Allan Weinstein, study director of the Democracy Project, raised the possibility of locating the Democracy Project study team on Capitol Hill at an executive committee meeting chaired by Bill Brock. The executive group thought that the location of the Democracy Project group on the Hill was a good idea and would enhance the bi-partisan quality of the initiative. Weinstein is looking for space either in the Capitol or in one of the congressional office buildings. The move into the Hart Senate Office Building may open spaces somewhere on the Hill. Weinstein advised me today that he had contacted Jim Cannon who seemed favorably disposed to the idea. Weinstein suggested that White House endorsement would be helpful in facilitating his efforts.

John Poindexter suggested that I draft a memorandum for you to send to Jim Baker on this subject. Plese see attached.

### RECOMMENDATION

That you forward the attached memorandum to James Baker.

YES /

NO.

Comment Bol Comment

TAB I Letter to James Baker for signature

7428

### NATIONAL SECURITY COUNCIL

SECRET

November 3, 1982

INFORMATION

NLS 1-95-041/27 39

MEMORANDUM FOR ROBERT C. MCFARLANE

BY NARA, DATE 8/27/95

FROM:

WALTER RAYMOND, JR. W. CM HAS SEEN

PETER SOMMERS

SUBJECT:

Funding for Democracy Project

REFERENCE:

Memorandum, same subject, dated October 27, 1982

We met with representatives from Department of State, AID, USIA, and Department of Defense to brief them on the results of the session which you and Al Keel had on October 29. Representatives of these agencies are aware that at the meeting today (2:30, November 3) you will underscore to them the need for the U.S. Government to reprogram a sum of money--approximately \$20 million as a major step to implementing the President's program. Each agency was advised to identify what funds could be made available for this activity. We anticipate that the response will be less than forthcoming. Several questions we have heard include:

- -- We have not prepared the ground on the Hill. (As soon as we get an agreed game plan this should be aggressively pursued with State in charge. We think the Hill will be responsive if the program is comprehensively described.)
- -- Some officials and people on the Hill may counsel waiting for the conclusions of Weinstein's Democracy study. (We are talking about expanded governmental programs; Weinstein's efforts are on a separate track. Both things need to be done.)
- -- Some of the program suggestions are not necessarily any better programs than the agencies are already supporting. (The agencies been given repeated suggestions to make recommendations for new programs which would support the President's initiatives.)
- -- AID is reportedly launching a detailed review of the effectiveness and direction of AFL-CIO regional labor institutes. ( I am pursuaded that these institutes are effective and need more money. I welcome a review, but I do not think we should let this inhibit new programs.)

I would not anticipate that this meeting will chop off on the exact composition of the \$20-25 million for Project Democracy funding. We have a great number of items and as soon as we get a cash commitment we can force an interagency prioritization. Part of of this will be based on ensuring that the items

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are consistent with the authorization that comes with the money that will be available. For example, we can probably expand the AFL-CIO labor institutes if AID can break loose funds, as the authorization exists. We may have difficulty creating democracy institutes in Central America or a publishing program if there is no existing authorization to which this can be tied. I would anticipate that we could have a 48 hour turn-around in terms of the specific package when the funding level and the sources of funds are confirmed.

In summary, the issues to hammer out today are:

- -- Identification of up-front FY 83 monies which can be reprogrammed immediate and submitted to the lame-duck session.
- -- Completion of a major submission for FY 84 budget inclusion for Project Democracy.

Additional funds for FY 83 can be dealt with in a sequel meeting and can be put in FY 83 zero supplement.

Attached is a first cut suggestion by OMB which identifies approximately \$6.5 million. USIA has speculated that they may be able to use some "exchange funds" which were tacked on to the program by Senator Pell. Senator Glenn (SFRC) has urged the Administration to supplement The Asia Foundation budget by \$5 million utilizing ESF funds. The State representative at our meeting on November 2 said he would explore the feasibility of this option.

### Attachments

TAB I OMB suggestions
TAB II Memorandum, same subject, dtd October 27, 1982 (reference)



# EXECUTIVE OFFICE OF THE PRESIDENT OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

NOV 1 1982

MEMORANDUM FOR: Alton Keel

FROM:

Philip A. DuSault 16/16 Wartany

SUBJECT:

1983 Offsets to Initiate President's

Political Action Initiative by December 1982

# U.S. Information Agency - No request yet received.

- Reorient grants to private organizations. USIA will make about \$10 million on grants to private organizations involved in exchange of persons activities in 1983. Some of those funds could be reoriented to organizations scheduled for "Democracy Initiative funding. (\$500,000).
- Reduce professional and technical training. The Agency provides \$1.4 million annually for professional and technical training courses on topics such as intercultural communication and economics for public affairs officers. These are not language and area studies courses. A slight reduction in the training would not seriously hinder agency operations. (\$200,000).
- Reduce centerpiece exhibits by 50%. USIA provides small center piece exhibits to be used with private sector U.S. exhibitors at fairs around the world. This program is not conducted in Soviet Bloc societies and is low priority. (\$150,000).
- Reduce graphic and performing arts activities. USIA plans to spend \$2 million in 1983 sending performing artists and fine arts exhibits abroad. Could be reduced by 25% with only marginal effect. (\$500,000).
- Delay filling non-VOA vacancies. Significant savings can be obtained if positions are left vacant for a longer period of time. (70-80 vacancies for 6 months \$1,000,000).

Agency for International Development - No request received.

Investment Packaging Loans. This activity, part of AID's central private enterprise bureau, had \$9 million unobligated at the end of 1982 which carried into the current fiscal year. program has been slow in getting started. This reduction will still permit a 1983 level of activity substantially higher than that originally requested, because of the funds carried over. (\$2 million).

- \* Upper Volta, Agriculture Sector Grant. A portion of the program can be deferred to 1984. The proposed level for the activity is \$8.6 million in 1983 obligations, but only \$25,000 is expected to be expended. Therefore, no program delay would result from deferring part of the obligation. (\$2 million).
- Agriculture, Central R&D Program. The program can be held to the amount requested from the Congress for 1983, rather than the level currently budgeted by the Agency. This would still permit an increase of \$3.2 million above the amount actually obligated in 1982. (\$700,000)

State Department has requested 14 employee positions and \$294,000 for their salaries and support in 1983. Some of State's justification appears to duplicate USIA and AID project development and grant-making responsibilities, which should reduce need for 14 positions.

### Possible offsets:

(1) Reduce staff and funds for the UNESCO National Commission - more appropriately privately financed, (\$100,000 of \$642,000 total).

(2) Reduce public affairs conferences, speakers, and publications (\$200,000 of \$5.7 million program).

### NATIONAL SECURITY COUNCIL

CONFIDENTIAL

October 27, 1982

ACTION

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM:

WALTER RAYMOND, JR. WL

PETER R. SOMMER PES

SUBJECT:

Funding for "Project Democracy"

As you are aware, we are having a hard time getting Project Democracy off the ground because the policy decision to move ahead was accompanied by a funding decision.

With regard to government funding, two weeks ago we had a long talk with Al Keel on the need to come up with a funding strategy (TAB I). At that time Keel thought we could initiate Project Democracy by moving funds from State's refugee budget to USIA. OMB advised us on 27 October that though technically feasible, such action would require legislation -- a near impossibility during the lame-duck session. .

OMB now suggests that the quickest way to move the President's program forward would be for the four or five involved agencies (USIA, State, Aid, and Defense) to reprogram small amounts of funds. In our view this will only happen with a strong push from the White House.

Thus, we need a short meeting with you and Keel to ensure that OMB and NSC are in accord on how to move forward. Assuming we are, we would be asking your agreement to chair a small follow-up meeting with the concerned agencies. Our aim would be:

- 1) to initiate FY 83 reprogramming and
- to make sure the agencies include Project Democracy funding in their FY 84 budget submissions.

### Recommendation

That you meet Keel on October 29 at 1400 in your office. We will also attend.

APPROVE OTHER

PESKimmitt concurs.

Attachment

TAB I MR: Meeting with Al Keel

### CONFIDENTIAL

MEMORANDUM FOR THE RECORD

SUBJECT:

Meeting with Al Keel

DECLASSIFIED

NLRRM430/2 # 115123

BY KML NARA DATE 11/2/13

I. I reviewed with OMB the book of programs prepared to support the Public Diplomacy initiatives necessary to get the President's democracy program started now. The book includes an estimated \$69 million for FY 83 and \$107 million for FY 84. The funds for radio enhancement are treated separately. Until funds are voted by Congress for the Democracy Project, which will come into being after Allen Weinstein's study is completed and legislation prepared, the only way to move forward is via direct federal funding (hence the program book) and/or via private fund raising. This, of course, will be tried too.

Al Keel favors the proposal and believes the "black book" of programs is a good start. He believes it is critical for the program to move forward now, even if we can only launch a small part. A small step permits further building. Keel recommends four points:

- 1) Reprogram \$20-25 million to launch the program and to get this action carried out during the lame duck session. In effect, this will mean identifying soft spots within the 150 budget account. He has his eye on some unused "refugee funds." He sees no other way short of deferring until the new Congress convenes at which time we could go for a supplement. Such funds would mean that we would not be able to provide any federal support to the President's program until summer 1982--one whole year after his proposal.
- 2) We must get advocates for the program. In this regard we believe Secretary Shultz should take the lead in presenting the program to the Hill.
- 3) Whether in terms of reprogramming, in terms of a sequel supplement for FY 83, or new funds for FY 84, the enriched "political action" budget should be presented on the Hill as a "consolidated budget" by the spokesman (State). Each individual Department and Agency will, of course, defend his portion, too.
- 4) The projected political action program activity will be by offset. We need, however, to avoid the bitter fight of internal rankings--USIA and State for example strongly resist any effort to move funds from one part of their budget to this new activity. Keel noted, inter alia, that if we mandated that each Agency/Department cough up funds for this program, they will resist. If OMB simply sets their FY 84 mark at a somewhat

### CONFIDENTIAL

lower figure, thus providing the margin for the political program than this would be a non-issue. He rationalized this in terms of the fact that this is a Presidential program which transcends individual authorizations.

- II. If we can not come up with an agreeable solution, we will need to have a meeting involving Bud McFarlane, OMB and representatives of the concerned departments—probably at the Deputy Secretary level—to resolve this matter so that both the budget presentation to Congress as well as the NSC meeting on public Diplomacy can be handled in an orderly fashion.
- III. I recommend the following steps be taken immediately:
- 1) A brief session involving Bud McFarlane, me, Bob Kimmitt's office and Al Keel to develop agreement on a key strategy.
- 2) Keel to meet with my working group, which includes Scott Thompson, Jerry Helman, Dick Stilwell, and the bugeteers.
- 3) If no solution, then we call a meeting, chaired by Bud, with the Agency/Department deputies.

### IV. The bottom line:

- -- We must identify \$20-25 million as the initial cut for the political program from within the budget. This should be tabled at the lame duck.
- -- We must agree both on the source of funds but also the method of presentation: by State, by each Agency, as appropriated funds of the President etc.
- -- We must agree on the strategy for FY 84 as the budgets are in final preparation. Does each Agency swallow their proportionate load? Do we provide added sums? Do we withhold from the Departments/Agencies a certain amount and then return as political democracy funds?

### REQUEST FOR APPOINTMENTS

To: Officer-in-charge
Appointments Center
Room 060, OEOB

Please a	admit the following appointments on	November 3	, 19 <u>82</u>
for	Walter Raymond, Jr.	ofNSC	:
	(NAME OF PERSON TO BE VISITED)	(Ac	ENCY)

W. Scott THOMPSON

Stanley SILVERMAN

Richard HECKLINGER

Jerry HELMAN

Richard STILWELL

Walter JAJKO

John BOLTON

Marilyn ZAK

John WOLFE

### MEETING LOCATION

Building WHWW Requested by CLEVELAND

Room No. SITROOM Room No. 300 Telephone 4682

Time of Meeting 2:30 PM Date of request November 3, 1982

Additions and/or changes made by telephone should be limited to three (3) names or less.

APPOINTMENTS CENTER: SIG/OEOB - 395-6046 or WHITE HOUSE - 456-6742

THE WHITE HOUSE

Playmond Playmond P/ Denny Pages

November 30, 1982

Dear Bill,

I was delighted to see the public announcement launching the bipartisan democracy initiative. As we all know this is a very important step in the implementation of the policy articulated by the President at Westminster last June. I look forward with great interest to the development of this program and believe it may prove to be one of the most important contributions of this Administration.

I would like to extend my personal congratulations to you for getting the program launched. I know that there were a number of difficult moments in putting together the executive board. One glance at the composition of the executive board underscores that you did an excellent job as it is broad, powerful and truly bipartisan.

Again let me express my best wishes for a job well done and hope for success as the program proceeds forward.

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William P. Clark

Mr. William E. Brock III Chairman American Political Foundation 2100 Pennsylvania Avenue, NW Suite 716 Washington, D.C. 20037

### NATIONAL SECURITY COUNCIL

SECRET

November 17, 1982

ACTION

MEMORANDUM FOR WILLIAM P. CLARK

SIGNED

FROM:

WALTER RAYMOND, JR.

SUBJECT:

American Political Foundation Study

The announcement of the formation of the Democracy Study group is a useful peg on which to express our appreciation to Bill Brock for his efforts.

Bill has done an excellent job in overcoming a series of difficult diplomatic moments in stitching together a top flight board. Attached herewith is a letter of appreciation for his efforts.

### Recommendation

That you send the attached letter to Bill Brock.

APPROVED

DISAPPROVED

Attachment

Tab I Letter to Bill Brock for signature.

Authority WHITE HOUSE GUIDELINES, 8/28/97
BY LOV

SECRET DECLASSIFY ON: OADR

MEMORANDUM

# SECRET

#### NATIONAL SECURITY COUNCIL

115124

September 29, 1982 SECRET ACTION DECLASSIFIED NLRR M430/2 #115124 MEMORANDUM FOR WILLIAM P. CLARK BY KML NARA DATE 5/10/13 WALTER RAYMOND, JR. FROM: SUBJECT: American Political Foundation Study I had lunch on September 27 with George Agree, Executive Director of the American Political Foundation, to review progress on APF efforts to carry forward with the President's challenge as stated in his Westminister speech. Progress on this issue can be measured in baby steps. I would like to finalize the suggestion which I made to you in the weekly report of September 24. First of all some background. There has been agreement concerning the executive committee for the Democracy Institute study. been expanded to 11 to meet Chuck Manatt's request. It includes RNC Chairman plus Dick Allen; DNC Chairman plus 2 (probably Representative Fascell (Florida) and Senator Dodd); APF President Brock plus Tom Reed; Ben Wattenberg, Lane Kirkland and Mike Samuels. In Manatt's eyes it is now a 5-5 split plus Ben Wattenberg. next step is to clarify the directorship of the study. The Republicans want Allen Weinstein, and he wants to serve as a single director. The Democrats want co-directors: Weinstein plus Al Friendly. This is being debated to see if some sort of a formula can be found. Bill Brock has done an excellent job trying to work his way through a series of political postures being taken by both sides. I think it would be very timely to invite Bill Brock over to endorse his efforts and underscore to him that, as the President of the American Political Foundation, he has the White House mandate to get on with the job. My sense is that the time is right to give him this "pat on the back." If you think it would be useful, I can give you a more detailed background briefing and could participate in the session. RECOMMENDATION

1. That you invite Bill Brock over for a brief meeting to endorse his efforts. Disapprove \_ Ob / 2. That I join you at this session so that I can follow up with Brock in the development of this activity.

SECRET DECLASSIFY ON: OADR

Disapprove

# American Political Foundation

2100 Pennsylvania Avenue, N.W.

Suite 716

Washington, D.C. 20037
(202) 466-8750

George E. Agree

William E. Brock III
Chairman
Charles T. Manatt
Vice Chairman
Cecil M. Cheves
Treasurer
Ben Cotten
Secretary

#### NEW BIPARTISAN DEMOCRACY INITIATIVE LAUNCHED

For Immediate Release November 10, 1982 For further information Call Project Director, Prof. Allen Weinstein: 202/775-3252 or 775-3253

A major bipartisan effort seeking methods to assist democratic forces abroad began its work only days after the midterm election under the auspices of both national political parties and the bipartisan American Political Foundation. Ambassador William E. Brock, Chairman of the foundation, will chair "The Democracy Project" of the APF, whose co-chairmen are Charles T. Manatt, Chairman of the Democratic National Committee, and Richard Richards, Chairman of the Republican National Committee.

The three chairmen announced jointly the appointment of an Executive Board to supervise the sixmonth study project, which was first proposed in a letter they sent to President Reagan last spring on the eve of Reagan's European trip. At that time, the three urged that a thorough bipartisan study be undertaken to determine "how the United States can help build democratic values and institutions in other nations," a proposal mentioned by the President in his speech to Parliament.

New Democracy Initiative, cont.

Other members of "The Democracy Project's" Executive Board include Vice Chairmen Anthony Lake, former State Department Director of Policy Planning and currently a Five-College Professor at Amherst College, and Ben Wattenberg, Senior Fellow of the American Enterprise Institute and Board Vice Chairman of Radio Free Europe/ Radio Liberty; former Reagan National Security Advisor Richard V. Allen; Senator Christopher J. Dodd (D. - Conn.); Congressman Dante B. Fascell (D. - Fla.); Peter G. Kelly, Democratic Party National Finance Chairman; President Lane Kirkland of the American Federation of Labor - Congress of Industrial Organizations; Thomas Reed of the National Security Council; Michael Samuels, International Vice President of the U.S. Chamber of Commerce, and (ex-officio) George Agree, President of the American Political Foundation, and Project Director, Professor Allen Weinstein. The Executive Board announced after its first meeting on November 4 that Weinstein, an historian who is University Professor at Georgetown University and Executive Editor of The Washington Quarterly at CSIS, will direct the research project.

"major sectors of American democracy -- the Congress, parties, labor, business, judiciary, media, education, and others" -- will be appointed in the next few weeks. Ambassador Brock expressed the hope that the Executive Board would present preliminary findings in late January and a final report early next spring.

Package # 6729

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National Security Council
The White House

Package # 6729

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# Commentary

# Reagan's worldwide democratic initiative

nyone who persists in thinking of Ronald Reagan as ideologically simple or predictable should read no further. For the others, consider the unusual and rather grand picture:

Looking splendid and speaking splendidly, the president is addressing an extraordinary worldwide group of middle-road and liberal democrats at an elegant White House lunch. He is talking about spreading democracy in the world.

"You and I live at a turning point ... a moment in time in which the instincts of decent people can unite to change history," he told democratic politicians, scholars, heads of electoral commissions and others he had assembled last week from all corners of the globe.

Then, in response, the short, brown-skinned, intense young president of Costa Rica, Luis Alberto Monge, said enthusiastically that the conference on free elections called and paid for by the U.S. government

would "destroy a false alternative — the idea that when we have totalitarian adventure, the only way is a rightist dictatorship."

Monge also rejected "blackmail that divides the democracies in the poor countries from those of the rich." Democracy, he said, could exist anywhere.

Everyone around the president credits the idea for this new initiative to him. The conference signals that the United States has clearly begun to move on a new democratic initiative in the world that could mean not only support for democracy elsewhere but a new and healthier bipartisanship at home.

What is happening is this: Last spring, speaking to the British Parliament, President Reagan suggested the formation of a new American foundation to spread democratic ideals and practical help for democrats and for democratic institutions throughout the world.

In response to the covert and

# **GEORGIE ANNE GEYER**

largely ineffective aid of the last decade, this would be totally open and aboveboard. Last week, the foundation, with the advice of foreign democratic figures from everywhere from Nigeria to Sri Lanka to Papua New Guinea, began to take form.

The foundation, as it is now conceived, is to be headed by the chairmen of both the Republican and Democratic parties. Important roles will be played by the AFL-CIO, which did excellent work for the Polish Solidarity trade union and land reform in El Salvador, the American Enterprise Institute and other private-sector persons and groups. Funding will be both public and private and will be dispensed in much the manner of the highly successful foundation of the German politi-

cal parties, which stands as the model for this one.

Heading the study for the project is one of America's finest young historians, Georgetown Professor Allen Weinstein. If I may be permitted a personal note, let me say that I have been through most of the events of the last two decades that have left Americans so disillusioned. Thus I determined to spend a good number of hours looking into this new initiative — and the truth is that it looks good, if only because it is above all so open and honest.

At a lead-up conference on democratization in communist countries two weeks ago, for instance, the ideas expressed were not extraordinary—there was a great deal of emphasis on exchange programs, radio broadcasts ("surrogate radios of the

peoples of the U.S.S.R.") and such things as a new international democratic student association. But what was impressive was the fact that the discussion was sober but not extreme.

Some warned against killing what pluralism is left in a place like Nicaragua. There was the real question: Does the United States in Eastern Europe rate democratization over independence from Moscow? Two concepts seemed to me to predominate and both bore intelligent and workable premises:

1. That the U.S. had the perfect right in the world to propagate the idea that pluralistic democracy is more effective in dealing with economic growth problems than is the basic path selected by totalitarian dictatorships.

 That the Soviet Union one day may be able to recognize that it will be better for the Eastern-bloc countries to have regimes that assert a popular consensus, so long as they do not endanger Soviet security.

Several events played around last week's historic meeting. President, Reagan goes to Latin America early in December — and he has chosen to visit two democracies (Costa Rica and Colombia) and a great power headed for democracy again (Brazil). The same week the conference was held, the American ambassador in El Salvador bitterly criticized the Salvadoran rightists for their non-democratic ways. This was not accidental.

All in all, the conference marked an exciting beginning. It lacked the excitement of John F. Kennedy's Alliance for Progress, which it resembles, but then these are more somber times. But perhaps the most promising thing about it was the fact that in its so-far enthusiastic bipartisanship, it could remind Americans of both parties — in their cooperative reaching out to others — how many principles and values they really have in common.

# Can democracy be promoted around the world?

## By David D. Newsom

Can the techniques of free elections be exported? Can democracy be promoted?

Men and women from 34 countries gathered in Washington for three days recently to consider these questions.

The occasion was the Conference on Free Elections, sponsored jointly by the Department of State and the American Enterprise Institute and held in the context of Fresident Rengan's project for the promotion of democracy, first outlined in his speech to the British Parliament on June 8.

As one who had expressed some skepticism' about the feasibility of government-sponsored efforts to promote democracy abroad. I attended the conference with questions in my mind. Would such a conference see the problem of creating democratic regimes only as United States competition with the Soviet Union? Would such a conference be prepared to face up to the challenges to democracy from both left and right? Would the spectrum of opinion be sufficient to generate genuine discussion on some of the basic issues involved?

My questions were largely answered and answered positively. The conference brought together as participants and observers persons from both developed and developing countries including some from nations where demogracy is currently imperiled. There were varied shades of opinion among

those from nongovernmental organisations, trade unions, universities, and policy institutes. It was opened by Secretary of State George Shultz and addressed by he prime minister of Italy and the President of Costa Rica. The President of Nigeria sent a special message read to the delegates. President Reagan hosted a luncheon; Vice President Bush spoke on the second day at a lunch on Capitol Hill.

Although there were technical presentations on the conduct of elections, the conterence came to focus more on democracy than on elections. Attinition was focused on countries such as Spain, Greece, Portugal, and Nigeria which had recently returned to democratic systems. If there was concentration on a region, it was on Latin America. Not only did many delegates come from that region. but there was a general recognition that some of the most difficult problems in promoting and preserving democracy are found in Central and South America. Representatives were present from Japan, the Philippines, and Thailand, but there was little discussion of East Asin.

A third world delegate give one of the most succinct statements of the requirements for democracy:

 The right of the governed to discipline the governors.

 A distinction between government and political parties;

itical authority of the impermanence of pe-

• Preeminence of civil over military authority,

In discussing the transition from nondemocratic regimes, other delegates emphasized the need to have a desiré for change, a belief in competition fostered by competition in other areas of life, and a social infrastructure with important groups that believe in democracy and have the courage and occasion to defend it.

The leaders of the conference stressed that the sessions were for "exchanges of view" and not for resolutions and decisions on action. Nevertheless, inevitably, the discussion turned to what could be done to promote democracy where it does not exist.

If there was an underlying consensus, it was that the promotion of democracy required time, sensitivity, and patience. Recognizing the delicacy of questions of intervention and sovereignty, speakers suggested that the process could begin by outside links with like minded groups: labor unions, political parties, foundations. Such links should be in response to invitations. Help should, as much as possible, be rendered through promoting techniques, providing training, and, if necessary, caring for exiles awaiting opportunities for change.

Those within the government and in the nongovernmental institutions involved will now be examining what the US can do to further the objective of encouraging democracy. The conference has, in the minds of those at-

tending, given momentum to the concept.

While not often expressed in the sessions, there was recognition among many of the delegates that the promotion of democracy will, if successful, ultimately lead to confrontations in some countries with those who are unwilling to put at fisk their authority through free elections and free institutions.

The confrontation can be a serious matter. Democracy is not a gimmick, a concept to be taken lightly. Men and women can face exile, prison, or death seeking democracy. Hopes and expectations should not be lightly raised. Choices can be difficult for men and women as well as nations.

During the Carter administration, there were frequent charges of "inconsistency" in the implementation of human rights policies. Any campaign to promote democratic systems and ideals in countries where they do not exist will ultimately bring the US face to face with choices between the expression of American ideals and the protection of defined security or economic interests.

The full test of the credible effort now started will come when initiatives now undertaken face the same type of challenge. At that point, will the campaign for democracy falter – or stay the course?

David D. Newsom, former US under secretary of state for political affairs, is associate dean and director of the Institute for the Stady of Diplomacy at

OFFICE OF THE UNDER SECRETARY
OF STATE FOR POLITICAL AFFAIRS

Wall

See Part III

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Demi /mj

### STATE OF THE UNION ADDRESS

#### FOREIGN POLICY THEMES

The 1983 State of the Union address offers the President an excellent opportunity, at the mid-point of his first term in office, to assess the historic new direction his Administration has effected in U.S. domestic and foreign policy and to chart the course for the next two years. It would be most appropriate for the President to underscore the solid foundations that his Administration has set for restoring the nation's economic vitality and military strength. In world affairs, the President's address should stress his Administration's moves to recapture U.S. credibility and to eliminate a decade's accumulation of doubts about U.S. staying power, constancy and readiness to support our Allies and friends.

In this framework, the foreign policy aspects of the State of the Union message should address three broad themes: generating economic/financial recovery and stability; enhancing international security through military readiness and arms control; and promoting democracy and human rights. These themes could be elaborated along the following lines.

## I. International Economic Relations

The President will devote a portion of his address to restoring stable, non-inflationary U.S. economic growth. A logical transition to foreign policy issues would be a section that relates our own economic recovery to more creative management of U.S. participation in the international economy:

-- As we begin to move out of the recession at home, the pace of our recovery will be deeply influenced by what happens beyond our shores. Concerns about the size of the debt burden on some developing countries and fears about international political developments have caused some banks to hold back on new lending abroad, thereby stimulating a flow of capital to the U.S. These factors contribute both to international instability and to high U.S. interest rates, thus impeding our own recovery;

- -- Our recovery is also retarded by the effect the global recession is having on world trade. The global economic malaise produces pressures at home for protection and retaliation and chokes off new growth in our export markets. This costs more American jobs than any competition from imports.
- -- We must move decisively this year to deal with the causes of these pressures. We must restore confidence in the ability of the international economic system to regenerate new growth. International Trade plays a major role in this respect. Over the past decade, our exports have grown over twice as fast as has total output in our economy. If it were not for trade, we would have had even lower growth than we have had, in some years virtually none at all.
- -- We are determined to remain vigilant in safeguarding U.S. interests in trade negotiations. At the same time, we must resist the temptation to seek quick-fix protectionist solutions to trade problems at the expense of our trade partners, many of whom also face severe economic conditions and are Allies in our Atlantic and Pacific security arrangements. Only new growth will create new jobs: Our task now is to get the U.S. economy moving and to create the conditions for mutually sustaining growth and trade among the industrial democracies.
- -- We also are determined to deepen economic cooperation with the developing world, which purchases 38% of all American exports and is the fastest growing section of U.S. trade. Many other developing countries are in deep financial distress. It is in our national interest to help, to advance both their economic growth and their political stability. Our initiatives to increase IMF resources are important to smooth the transition of heavily indebted countries to economic and political security.
- -- These programs, with industrial and hard-pressed developing countries, can create new resources and trade opportunities vital to the success of our efforts to restore growth at home.



## II. The President's Commitment to Peace and Security

The Administration has moved vigorously to restore American military strength, to reinvigorate the Atlantic Alliance and to work closely with our friends and Allies to reinforce NATO's deterrence capability. In addition to points the President will make in support of the Administration's defense program, the following points would be appropriate:

- -- Careful analysis of the military balance has made clear that there has been a significant shift to the Soviet advantage over the course of the last decade.
- -- To address this problem, we have set forth a comprehensive program for restoring our military strength and negotiating on disarmament and arms control. These two aspects of our approach are not alternatives, but rather integrated elements of our national security policy designed, above all, to keep the peace. We intend to pursue these policies in close cooperation with our Western Allies.
  - On the defense side, with the support of the Congress, our response to the sustained Soviet military buildup has been restrained but firm.
  - o On the disarmament side, in Geneva, we are engaged in START and INF negotiations in pursuit of real reductions in the most destabilizing weapons systems. In Vienna, we and our Allies are negotiating for reduction of conventional forces in central Europe. Our approach in each of these negotiations is based on the clear and fair principles of substantial and verifiable reductions to parity in similar types of forces. We call upon the new Soviet leadership to respond seriously to Western arms control proposals. We also urge the USSR to improve compliance with previously signed conventions forbidding use of chemical weapons.
- -- We want a constructive relationship with the Soviet Union, based on the principles of restraint and respect for one another's interests. We hope the USSR will join us in expanding the areas where we can cooperate to mutual advantage. We attach particular importance to achieving diplomatic solutions to the

Afghanistan and Kampuchea problems which greatly complicate U.S./Soviet relations. We also hope Polish authorities will move to end martial law, to release all political prisoners and to resume a true dialogue with all representative forces of the Polish nation such as the church and freely formed trade unions.

- -- A major element in our efforts to build a more peaceful world is our serious commitment to seeking equitable resolutions to dangerous regional crises.
  - o In the Middle East, we remain convinced that the initiatives the President announced September 1 offer the best chance for achieving a just and lasting peace. Similarly, largely through the tireless efforts of Ambassador Habib, we have been actively engaged in negotiations designed to make Lebanon once again a place of peace and prosperity.
  - o In Latin America, we have recognized that when our neighbors are in trouble; their troubles become ours. We have worked vigorously to promote democracy and human rights in sister republics and, in concert with area democracies, have acted to counter outside intimidation in Central America. The Congress is to be congratulated for passing with strong bipartisan support the trade and investment provisions of the Caribbean Basin Initiative which will stimulate economic and social development for the poorest, most vulnerable of our neighbors. \*
  - o In Southern Africa, we have worked hard for a solution to problems which have eluded the best efforts of many others for years. We are decidedly closer now to finding ways of resolving the Namibian conflict than we were at this time last year. Only those who fear establishment of peace and stability in this region have reason to fear the kind of settlement we seek.
- -- Security Assistance is a major element in building the defensive capability of and assuring the security of our friends and Allies. That kind of security is a wise investment in an unstable world, but freedom is not free. We look to the Congress to support us with the resources vital to sustain international security and economic development programs.

\*May need to be revised, depending on Congressional action.

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## III. The President's Commitment to Democracy and Freedom

The President launched the Democracy Initiative in a speech to the British Parliament in June 1982 and chose the initiative as the theme for his Latin America trip in December. The following points would be appropriate:

- -- Our economic and security programs seek to promote a world in which free men and women can realize their individual aspirations and free nations can pursue peaceful change, free from the threat and use of force.
- The President's London statement vigorously supported the traditional American commitment to liberty in the world. Americans believe strongly in the idea of democracy and are willing to place our resources behind it, through a series of programs by which the best of the American traditions of freedom and justice can be encouraged abroad. It is particularly gratifying that our two principal political parties are joined in a study on how democracy can best be advanced.
- -- We look to other countries to join in this enterprise. The Administration will be proposing to Congress specific measures on how we can enhance our public diplomacy and best work with others to encourage democracy -- thus promoting human rights, international stability and progress.

Attendance Nov 19, 1982 Felephone 632-1574 Office Wanz Robert C. Perry State -WALT RAYMOND 395-4682 NSC

## ITINERARY James R. Huntley

29 September-19 November 1982 San Francisco-Australia-Japan-Europe-Washington-New York

29 September, Wednesday

UA 1268 10:13am Seattle/San Francisco(Coach) No

30 September, Thursday

Quantas 4 9pm San Francisco/Sydney(First) 6:30am October 2

(stopover Honolulu, same plane)

3 October, Sunday

ANS 11 10A Sydney/Melbourne (Coach) 11:15am

5 October, Tuesday

ANS 394 3:40pm Melbourne/Canberra (Coach) 4:35 pm

7 October, Thursday

ANS 366 5:15pm Canberra/Sydney 5:50 pm

9 October, Saturday

Quan 27 11:45am Sydney/Hong Kong(First) 6:45pm

11 October, Monday

Luft. 640 9:10AM Hong Kong/Tokyo(First) 1:45 pm

16 October, Saturday

Sabena 262 8:55pm Tokyo/Brussels (First) October 16 5:40am

EURAILPASS (1st class) one month

3 November, Wednesday

BritAir 375 10:45am Brussels/London (Business) 10:45am

10 November, Wednesday

BritAir 376 10:05 am London/Brussels (Coach) Noon

13 November, Saturday

BritAir 377 12:45pm Brussels/London 12:45pm 2:30pm London/Washington-Dulles (First) 5:45pm

17 November, Wednesday

Open ticket Shuttle, Washington-NTL/New York-LG

19 November, Friday
UA 47 6:30pm New York-JFK/Seattle (First) 9:10pm

#### NATIONAL SECURITY COUNCIL

Dennis -De m tall largely OBE - you might What to me digs eh -# 150 11 now in OK of AD + He line wants to try to free Wernstein to rain Jullie Jung. WR

#### MEMORANDUM FOR UNDER SECRETARY DAMM

SUBJECT: Project Democracy

I read with interest your recent summary of the Conference on Free Elections that you sent to the White House.

I think this is an excellent start to our democracy project.

I look forward with interest to your further recommendations for action.

I am concerned, however, about the funding of the research project which is being undertaken under the agis of the American Political Foundation. This study, as you know, was mandated by the President in June at Westminster. There has been an intolerable delay in official funding and an absence of private funding for the study. I would like to reocmmend that the Department of State provide full funding for the study project which, I understand, will cost no more than \$300,000. It will be necessary to move found a Thirm and the study if we have any hope of meeting the projected deadline.

I realize you have not been personally involved in the funding action, but I suggest that given the character of the study that pepartmental support is not only the most direct but may also be the most appropriate.

Dennis Blair in draft

#### NATIONAL SECURITY COUNCIL

SECRET

November 24, 1982

ACTION

MEMORANDUM FOR

FROM:

WALTER RAYMOND, JR.

SUBJECT: Project Democracy

We are beginning to get possitive press concerning democracy project. Please note articles which have recently appeared in the Washington Times and Christian Science Monitor.

I introduced Tom Reed to Allan Weinstein on November 24. plans to participate in the next meeting of the executive committee of project democracy, which as you know, is chaired by Bill Brock.

One continuous problem besetting this effort is the lack of funds to underwrite the study. Although AID has committed itself to this support it has constantly found reasons to procrastinate on funding. Part of AID's concern is that a grant to the American Political Foundation for the democracy project is somewhat "out of character" for AID. The plan had been for \$150,000 from AID and \$150,000 of counterpart private funding. I recommend that we make an immediate move to resolve this problem in a manner which would underscore our resolve and permit the job to be done right. I have a letter attached which I think will break loose the log jam.

Recommendation:

That you sign the attached letter to Secretary Shultz

APPROVE

DISAPPROVE

Attachment

Letter to Secretary Shultz for signature. Tab I

cc: Bob Sims Geoff Kemp

SECRET DECLASSIFY ON: OADR

### The Director of Central Intelligence

Washington, D. C. 20505

Dear Ed:

I am persuaded that the attached proposal has significant merit and deserves your careful consideration. You will note that it calls for the appointment of a small Working Group to refine the proposal and make recommendations to the President on the merit of creating an Institute, Council or National Endowment in support of free institutions throughout the world.

Obviously we here should not get out front in the development of such an organization, nor do we wish to appear to be a sponsor or advocate. Nevertheless, the needs appear real and I believe our national factor of the dealing with many issues and problems would be well served by such an institute.

We would be pleased to make suggestions on the composition of the Working Group and Commission.

Yours.

William J. Casey

Enclosure

The Honorable Edwin Meese III Counsellor to the President The White House 174 - FOUNDATIONS

# Bankers Life & Casualty Sale May Bring Over \$1 Billion to MacArthur Foundation

By HARLAN S. BYRNE

Staff Reporter of The Mall Strass JOURNAL CHICAGO—The MacArthur Foundation could receive well over \$1 billion from the planned sale of Bankers Life & Casualty Co. of Chicago, according to an investment panned sale of sankers Life & Casualty Co. of Chicago, according to an investment banker representing the foundation.

The sale of Bankers Life, a move required by federal law and anticipated for some time, begins today through newspaper advertisements.

"We think the transaction could be closer to \$2 billion than \$1 billion," said Larry to \$2 billion than \$1 billion," said Larry Michel, a managing director of Warburg Paribas Becker Inc. in New York. "It would be one of the largest transactions involving a privately owned company, particularly where there's one stockholder as in the case of Bankers." He said a major attraction of Bankers is its extensive real estate holdings in notine legations.

Bankers is its extensive real estate holdings in prime locations.

The foundation was created by John D. MacArthur, who died in 1978 at age 80, leaving the stock of Bankers to the foundation. Mr. MacArthur had built one of the nation's biggest private fortunes through insurance, real estate and banking interests.

#### Premium Value

The foundation, formally known as the John D. and Catherine T. MacArthur Foundation, said Warburg Paribas Becker and Lazard Freres & Co. of New York would serve as exclusive agents for the divestiture of Bankers and its subsidiaries.

In a telephone interview, Mr. Michel said interest in Bankers is heightened by the fact that federal tax law required the foundation to divest itself of Bankers by Dec. 1, 1983, and this has been widely known in invest-

ment circles.

ment circles.

Mr. Michel said Bankers has a book value of nearly \$500 million but added that most insurers sell at substantial premiums to book value. He added that the premium over book value for Bankers could be widened by its extensive real estate holdings, which are considered greatly undervalued, reflecting towa equipition costs. reflecting low acquisition costs.

"The real estate alone should be worth more than \$1 billion," Mr. Michel said.

#### One Buyer?

In a separate interview, Gaylord Free-man, retired Chicago banker and chairman of the foundation's finance committee, said many inquiries about Bankers Life already had been received by parties who presuma-bly were interested. He said it would be the job of Warburg Paribas Becker and Lazard Freres to screen potential buyers and help

Freres to acreen potential ouyers and neap evaluate offers.

"Our hope is that we can sell Bankers and its many subsidiaries to one buyer, mimus a few pieces of real estate the foundation is considering keeping," Mr. Freeman said. But he said the foundation might consider selling the real estate separately and the selling the real estate separately and possibly to several buyers if offers for the company as a whole are considered inade-

Mr. Freeman estimated it might be next year before the sale of Bankers and its sub-sidiaries could be completed. He said the in-vestment bankers would provide buyers with detailed information about Bankers and its properties if the buyers are considered capable of executing such a large transac-ton. He said advertisements of the planned le are being placed in newspapers world-

#### ustry Leader

e announcement by the foundation said ankers property portfolio is an "ex-y valuable and sizable assemblage of and diverse U.S. real estate." Mr. un said it includes 16 office buildings "considerable number of apartments" w York City. Many of them are in mid-Manhattan, which has been a hot area al estate investment.

holdings include 85,000 acres of er notangs include co, our acres or la Palm Beach County, Fia.; 10,000 in Martin County, north of Palm County, as well as acreage in Sarad other parts of southern Florida. I complexes in other cities from New to California.

ikers is a major accident, health and

life insurance company. Its main operation has been the sale of individual accident and health policies, an area in which it has been a leader. It has a full-time field force of 2.-800 and also sells through 2,100 independent

The foundation also said it has retained.

The foundation also said it has retained Landauer Associates Inc., real estate causuitants, and milliman & Robertson Inc. consulting actuaries, to assist in the divestibute. Last month the foundation hired David Manufacture and the proceeding figures. M. Murdoch as vice president, finance, to help with the sale. Mr. Murdoch had been a managing director in Chicago for Warburg Paribas Becker.

In May the foundation announced the first of its MacArthur prize fellowships, providing outright awards of from \$24,000 to \$50,000 annually for five years. The awards were made, without the advance knowledge were mane, without the advance knowledge of the recipients, to a variety of creative people, including authors, poets, scientists and educators. The largest award went to Robert Penn Warren, novelist and critic.

#### Cardboard Box

William T. Kirby, who was Mr. MacArthur's personal attorney and is currently vice chairman of the foundation, recalled in an interview that Mr. MacArthur paid \$2,500 in 1935 for Bankers Life, which was in financial trouble.

"He put the company files in a cardboard box and drove home with them to start building the company," Mr. Kirby said. For a while he and his wife worked out of their home to put the company back on its feet.

home to put the company back on its feet. As the company grew Mr. MacArthur diversified by acquiring real estate and banks. Prior to Bankers, Mr. MacArthur had worked in the insurance business with his brother, Alfred, and before World War I was briefly a reporter for the defunct Chicago Examiner. Another reporter there was his more famous brother. Charles MacArthur, who later co-wrote "Front Page" with Ben Hecht. Charles MacArthur's widow is the actress Helen Hayes.

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NATIONAL SECURITY COUNCIL

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I if we can not come up with an aqueable station, me will need to have a meeting involving you, OMB & representative of the incernal dependents -- probably at Depty feetly lend -- to resche this mitter so That with the bufet presentation to compan on well - the NIC meeting in he hadled in an orderly farhin.

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3) If no solution, Their we call a meeting, you

DECLASSIFIED

NLS (95-04/2# 42

BY NARA, DATE 3/2/77

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Battelle

Personal + Private Seminars and Studies Program 4000 N.E. 41st Street P.O. Box C-5395 Seattle, Washington 98105

11-24.8×

Dear Wat -

Here it is, after 2 days of thought & jotting ( to be change to becount later).

Gattle has gotten a very wealthy deatherte to contribute "Modertly" to a CCD operation here — to concentrate on W. Coart, Japan, frunava, N.Z. I am honeful David Wills (Detalley down) will heep in Emone, o Ted techley down) will heep in Emone, o Ted techles in US of for overall. This can "70" in feattle" whether I stay here or not. If I stay, I can head it, if I go there are others. But it is a new alternature, and not so much "Walter Mittly" as it was! ( be tails to come.)

Eigendlers of this, of ACUS offer, of any other work I might be doing, in or only Battille, I want to work on Project Democracy. As I carefully reconsider all the Washington meeting, I this Budget document, and are the ramifications, I am more certain than ever that I have a major contribution to make. Perhaps not are the people you had me meet weil agree + 1f 50,

tant pis to me! But I believe there will be more

JAMES R. HUNTLEY

(over

or less general feeling there that my heap loved range from "heepful" to "crucial." I don't mean to bug you on this, because I laww you have an overwhelming Set of facts just how. In your usual comp. elem manner, you are dealing with them is an astrete way. But I really have to insent that if you (+ key others) want me, you must arrange soonest to pay for me. The problem is not to much scheduling my time (and I must finish the NGO turney as a priority), although that is a consideration. Ramer, it is one of showing my Battelle masters that my advice to USG has a dollar value and than they are justified in Keeping me on. If I leave for Alls next trummer or fall, I want to have futtell in a blaze of glory. If I stay on, I must bridg in some more outside income. au I have done for 30 years co to crossed in this Memocracy Project. all the investment Battille has unde in my book + the long leash they we quen me ( and . fin main 3/4 3 the NGO survey) now should pay APF Consultancy X Nipping at your ankles, Jim The total amounts of time or morey are not as important as the fact of a COMMIMENT.

Walt -

Bologna Ceuter \$350,000 a year Ar some years. That is now being phased out over 3 years.

1 Mpossible to get other orthode money at this time to wortantially replace the growth one of the best things USG ever did - constant stream of young bright temperaus foring thru = etc.

Jan.

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Note: How Foundation programs are head of shoneders above the others. How of the validity of the method,

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# The MAX and ANNA

# LEVINSON FOUNDATION

1318 Beacon Street, Room 6, Brookline, MA 02146 (617) 731-1602

TO: John Red

FROM: Sidney Shapiro

DATE: 11/8/82

Enid Schoettle at the Ford Foundation asked us to be sure to invite you--she will be attending.

Please come!

Also, please share your thinking with us on the enclosed.

Thanks.

∮idney Shapiro

FROM: SUSAN SILK AND SID SHAPIRO RE: NEXT FUNDERS MEETING ON "FUNDING THE PREVENTION OF NUCLEAR WAR: INFORMATION AND STRATEGIES FOR FUNDERS" A. DO YOU PLAN TO ATTEND THIS MEETING? WILL TRY CAN'T MAKE IT YES B. REGARDING THE CHOICES FOR TOPICAL AREAS FOR THE FUNDER'S MEETING ON THE PREVENTION OF NUCLEAR WAR, PLACE A 🗸 NEXT TO 6 OF THE TOPICS WHICH YOU WOULD PREFER TO SEE COVERED AT THIS MEETING: 1) \_\_\_\_ specific weapons orientation (MX, cruise 8)\_\_\_ the business community & disarmament missiles, trident, etc.) 9) economics, jobs, conversion organized elites(physicians, lawyers, 10) international educators, etc.) national groups (FAS, ACA, UCS, Freeze, 11) proliferation 12) legal strategies - civil liberties 4) \_\_\_ media (films, newspapers, computers, 13) influencing the Soviets phone banks) 14)\_\_\_ the energy connection (conservation, 5) grass roots, labor role, minorities breeder, reprocessing, etc.) 6) \_\_\_ politics (electoral/other), referenda 15) impact of Nov. '82 elections campaigns 16) religious, institutional, group 7) research (university based/other) oriented activities IN ADDITION TO OR IN PLACE OF THE ABOVE TOPICS, WHAT OTHER AREAS OF ACTIVITY WOULD YOU LIKE TO SEE COVERED AT THIS MEETING? 1)\_\_\_\_\_ OTHER THOUGHTS ON PLANNING THIS MEETING: (use other side if necessary) LIST NAMES OF OTHER FUNDERS OR FUNDING ORGANIZATIONS WHOM YOU BELIEVE WOULD BENEFIT FROM THIS MEETING AND WHOM WE SHOULD INVITE: (NAME) (ORGANIZATION) (ADDRESS) 3)\_\_\_\_\_

MEMO TO A SELECT GROUP OF FUNDERS

#### -SAVE THE DATES-DECEMBER 7 & 8, 1982

TO:

FOUNDATIONS AND INDIVIDUAL FUNDERS

FROM:

SID SHAPIRO AND SUSAN SILK, CO-CHAIRS PLANNING COMMITTEE

RE:

FUNDING THE PREVENTION OF NUCLEAR WAR: INFORMATION AND STRATEGIES FOR FUNDERS

DECEMBER 7 & 8, 1982

NEW YORK CITY

- ...COME TO MEET WITH PHILANTHROPISTS, FOUNDATIONS, STAFF, BOARD MEMBERS, PROGRAM DIRECTORS. HEAR DIRECTLY AND ASK QUESTIONS ABOUT:
  - ...WHAT ACTIVITIES AND WHICH GROUPS ARE BEING FUNDED BY WHOM? WHAT ARE THE BUDGETS OF THESE GROUPS AND WHO RUNS THEM?
  - ...WHAT ARE THE RATIONALES AND STRATEGIES FOR THIS FUNDING? WHY DO FUNDERS FEEL THEIR MONEY WILL MAKE A DIFFERENCE? ARE THERE OTHER WAYS TO ACHIEVE THESE GOALS?
  - ...HOW DO FUNDERS DECIDE TO FUND "NATIONAL" OR "LOCAL" ACTIVITIES, "DISARMAMENT" OR "PEACE" ORIENTED GROUPS, "RESEARCH" OR "ACTION" PROGRAMS, "EDUCATION" OR "ORGANIZING" ACTIVITIES?
  - ...WHAT IS THE IMPACT OF THE (NOVEMBER 1982) ELECTIONS ON PEACE AND DISARMAMENT ACTIVITIES AND HOW MIGHT THIS INFLUENCE THE THINKING AND ACTION OF FUNDERS?
  - ...WHAT ARE THE ALTERNATIVE VISIONS AND REALITIES OF "PEACE" WHICH INFORM THE ANALYSES AND JUDGEMENTS OF FUNDERS?

FOR ABOUT A YEAR AND A HALF, A LOOSELY ORGANIZED GROUP OF SOME 45
FOUNDATIONS AND PHILANTHROPISTS HAVE BEEN MEETING FROM TIME TO TIME TO EXPLORE
IDEAS AND SHARE INFORMATION ON THESE KINDS OF QUESTIONS...AS WELL AS ATTEMPT
TO EDUCATE OURSELVES ON SUBSTANTIVE ISSUES (THE FREEZE MOVEMENT, ARMS CONTROL,
EUROPEAN AND AMERICAN ORGANIZATIONS, INFLUENCING THE SOVIETS, PROLIFERATION, ETC.)

COME TO SHARE YOUR CONCERNS, QUESTIONS, CONFUSIONS, AND SEARCH TOGETHER FOR IDEAS AND POSSIBLE ANSWERS, FROM WHICH WE WILL MUTUALLY BENEFIT.

SAVE THE DATES

DECEMBER 7 & 8, 1982

**NEW YORK CITY** 

MORE INFORMATION SOON.

Susan Silk Columbia Foundation Sid Shapiro Levinson Foundation

Co-Chairs Planning Committee

last week that appears to be based on a 1978 intelligence estimate on Italy prepared by the CIA. Suspecting a Soviet forgery, it asks the State Department to investigate. One leftist newspaper made reference to the document but none has published it in full. The Embassy says "the layout and typography in the facsimiles show no obvious forgery." (Limited Official Use, SECSTATE-Rome 26224) (Action P/PACO)

## European Outreach

(U) Charlton Heston Sought as Ampart for Charity Fund-Raiser in Norway -- USIS Oslo requests that Charlton Heston "keynote an important fund-raising concert by the U.S. Air Force Band" to fund Norwegian heart surgeons' study in the U.S. The Post would program Heston for additional appearances to "deal with American private support for the arts" and "film as a reflection of the U.S. as an open society." Ambassador Austad is interested in this program. The Post suggests that Posts in Denmark, Iceland, Sweden and Finland may also want to program Heston. (Unclassified, USIS-Oslo 6066) (Action P/D)

(LOU) USEC Urges 'Transnational' Approach to Democracy Initiatives -U.S. initiatives in Europe on the future of democracy should be "transnational"
rather than "narrowly bilateral," the U.S. Mission to the European Communities
(USEC) says. USEC advocates that 1984 initiatives to call attention to the
"democratic heritage shared by North America and Europe" should include conferences and seminars on crucial issues arranged jointly with several European
organizations, including the College of Europe, where members of the successor
generation are trained for leadership positions in Common Market countries.
(Limited Official Use, SECSTATE-Brussels 15411) (No USIA action)

(LOU)- Ambassador Urges VOA To Lease Transmitter Time on African Radio No. 1 -- Ambassador McNamara in Libreville says a "personal follow-up" Friday by the Gabonese minister of information regarding possible VOA use of the Africa Radio No. 1 transmitter is "highly unusual and can only be the result of direct pressure" from President Bongo. The Gabonese president wants to improve relations with the U.S., he says, and VOA's lease of time on the transmitter is important to that goal. The Ambassador urges VOA to "act quickly (by) authorizing me to make a formal offer." (Limited Official Use, SECSTATE-Libreville 3405) (Action B/VOA)

(LOU) USIA Support Sought for Public Affairs Anti-Narcotics Campaign in Bolivia -- USIS La Paz, analyzing the public affairs aspects of the narcotics problem in Bolivia, suggests Wireless File, radio and VTR products in addition to an Ampart to speak on narcotics traffic. The Post says the Bolivian government is concentrating on the problem but the public still believes the problem is serious only for consuming nations. The Post sees its role as one of educating opinion leaders and providing them with "materials they need to educate the populace." (See Summaries 9/17, 9/20) (Limited Official Use, USIS-La Paz 7085) (Action P/G)

(U) Supreme Court Aide Tells Filipinos of U.S. Court Reforms, Processes -- USIS Manila says Mark Cannon, administrative assistant to U.S. Chief Justice Burger, spoke to Filipino judges, lawyers and political figures during a four-day Ampart program. Filipinos were interested in his description of how improved court management and the utilization of new technology permits U.S. courts to

Jan / X



TO: Walt Raymond

11/19/82

FROM: Fred Knecht

At the 11:45 meeting in Scott's office today, the Director asked that you get these. They were left behind, and you may or may not need them, but I though I'd send them over.

SECRET

ACTION

MEMORANDUM FOR ROBERT C. McFARLANE

FROM:

WALTER RAYMOND, JR.

SUBJECT:

Public Diplomacy/Political Action

Everyone is in agreement that a single agency should submit the public diplomacy/democracy budget to Congress. State favors USIA. The principal concern expressed by Jerry Helman (in Eagleburger's office) and Phil duSault (OMB) is that State may lack the proper legislative authorization to receive congressional funds for a program of this breadth. For example they might need additional legislation to support exchanges, etc. There is a secondarly consideration which motivates the Management area, namely that sooner or later the democracy project would enter into direct completition with State Department line items.

Jerry Helman and I both recognize that there will be a need to ensure that this program is perceived as an inter-agency foreign policy program.

 / MORE CONCEPT + MORE PROGRAM

- What is democracy? What are we "Sclling"?

- What methodo Can walke, Should we use

- Biblios, syllabi, training + omentation of FS

2 Montiges A foundations' -a consultant for cach mobilize outside and inside gout. - mobilize
Congress

3 SUBMISSION -

- Intradructure won't carry project load

- Re-work - more on targets, themes, methods

- More indication of cooperation with Western allies.

- Got Peter Bresceas advice on LPGs, e.g.

Pakistan + Hyhanestan = Whatshoned we have

done? (tel: 765-4551)

- Connecting Luter as - what has the project to do with democracy.

- 1st pages - This is a dealogue, a zury street,

- Need more officers in the Field, with right concepts
to some flexible money - All officers while to
explicate democracy in all their work

- Field Ideas not expressed here (despite dis Clarmer)

- Tell Conques - infrastructure in gout o out has atrophied.

Modernyst.
A10-AHA-MCA

. 50

Labor

\$15 M.

- 1. Trade unions are a critical political force in a number of key countries. We must project our programs in this vital area both to promote free trade unions and to combat communist penetration and control of labor institutions.
- 2. We should immediately expand funding to the three major AFL-CIO free labor institutes directed toward Latin America (AIFLD), Africa (AALC) and Asia (AAFLI). The ratio of programs to overhead was 70%-30% four years ago. Now it is reversed: 30%-70%. There has been scant, if any, growth for 4 to 5 years. The funding for FY '82 is as follows:

AAFLI (Asia)	\$4.1	4.1
AALC (Africa)	2.7	3.0
AIFLD (LA)	6.3	8.0

A supplemental of \$10 M\$ will restore the ratio to a 70%-30% program ratio. (AID to institute.)

- 3. The International Trade Secretariats, which are involved in most functional areas of labor, are also significantly affected by the absence of funds.

  Could selectively fund certain ITS'. Carefully administered ITS programs can be fostered in Nicaragua, El Salvador, Brazil, Argentina, Philippines, Thailand, Malaysia, Korea and Peru.
- A. AID discretionary fund to support ITS' (in collaboration with State, labor attache reporting and the AFL-CIO) is recommended: \$1 M.



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NLS F75-041/2-444

# CONFIDENTIAL

4. European Labor Information Office (\$1 M)

This program would be designed to provide <u>support</u> to demonstrate labor elements in East Europe (Poland), and particularly Spain, Portugal, Greece and Turkey. Its funding would be via USIA as no AID programs are covered in this geographic region. Greater participation is envisaged in selected international labor groupings located in Europe. A major information and publishing program would be undertaken to provide solid documentation in a number of key issues: INF/TNF, gas pipeline, nuclear freeze, etc.

- program designed to revitalize trade union exchange programs with nations influenced by Communist or other anti-democratic labor activites. The Free Labor Leader Program would be run by the Department of Labor in collaboration with State, USIA, AID, the NSC and the AFL-CIO. Priority areas would focus principally on Latin America and secondarily on Southwest Pacific and Europe. Planning has been developed with 400 exchanges projected per annum. Budget: \$3 M.
- 6. It is further recommended that two interagency working groups be established:
  - -- Working group on labor programs (State (Chair), AID, DOL, USIA, NSC). This group, as appropriate, would consult the AFL-CIO and the private sector.





-- Working group on labor information (Labor (Chair), State, AID, USIA, NSC, CIA)



Examples of institute funding:

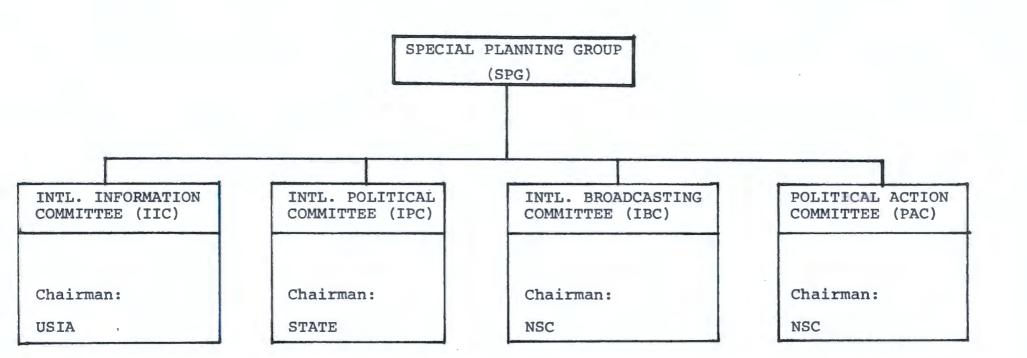
- 1. Bolivia 150 K permit continuation of free TU
- 2. Peru 50 K direct counter to Soviet funding.
  Ex: The Soviets took over the Peruvian Bank Workers Union (due to lack of Western funding). The Union now provides \$50 K monthly checkoff due to communist union leaders to support Peruvian Communist Party activity.
- 3. Grenada 50 K To the only organized opposition to the Marxist government of Maurice Bishop (The Seaman and Waterfront Workers Union). A supplemental 50 K to support free TV activity outside Grenada.
- 4. Nicaragua \$750 K to support an array of independent trade union activity, agricultural cooperatives.
- 5. Central America labor publishing house and distribution center for printed materials - TV materials, cooperatives, land reform, etc. - to counter Marxist literature (\$500 K).
- 6. \$100 K fund for relief to democratic trade unionists forced to flee their homeland.



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NLS F 95-041/8 445

BY And NARA, DATE 7/3/05



## United States Information Agency

Washington, D.C. 20547



November 1, 1982

Mr. Robert Cizik Cooper Industries, Inc. Two Houston Center Houston. TX 77002

Dear Bob:

On May 24, 1982 President Reagan received 200 prominent American leaders in business, education, and government at the White House following a luncheon hosted at the State Department by Secretary of State Alexander Haig. On that occasion the President announced a major international Initiative to greatly expand the exchanges of young people between the United States and its Western Allies.

At the Versailles Summit several weeks later, President Mitterrand of France, Prime Minister Thatcher of the United Kingdom, Chancellor Schmidt of Germany, Prime Minister Trudeau of Canada, Prime Minister Spadolini of Italy and Prime Minister Suzuki of Japan joined in this initiative with President Reagan. On October 1, 1982 the Senate passed a resolution expressing "strong support for the President's Youth Exchange Initiative."

The Versailles Summit partners recognize the ties that bind them are being tested more severely today than at any moment since World War II. As you know, the Soviet Union has been exploiting these divisive trends at every opportunity.

The President's Youth Exchange Initiative responds directly to the concern that the Western Alliance and our friendship with Japan are threatened by gaps in the perceptions of the successor generation.

If we are to preserve the Western Alliance and shape our future international relations, it is incumbent upon us to communicate to this new generation an awareness of our shared values and beliefs. We believe that exchanges of young people are among the best ways to achieve this goal.

The President has emphasized his desire that the American private sector join with Government in a partnership to promote this important effort. Toward this end, he has directed that there be formed a "President's Council for International Youth Exchange" to spearhead the Initiative in the private sector. The purpose of this letter is to invite you to become a member of the Council.

Coy Eklund, Chairman of Equitable Life, has been named to chair the Council. Joining him as Vice Chairmen are Robert Kirby, Chairman of Westinghouse, and Ralph Davidson, Chairman of Time, Inc.

At this writing the Executive Committee is in formation and already includes many other prominent Americans:

Dwayne Andreas
Ralph M. Baruch
Albert V. Casey
William H.G. FitzGerald
Armand Hammer

CEO of Archer-Daniels-Midland
CEO of Viacom International
CEO of American Airlines
President's Inaugural Trust
CEO of Occidental Petroleum

Karl Harr President, Aerospace Industries Assoc. of America

J. Willard Marriott, Jr. CEO of Marriott Corporation

Russell Mawby President of the Kellogg Foundation
Richard Nunis President of Walt Disney World and Land
Thomas P. O'Neill, III Lieutenant Governor of Massachusetts

Stephen Rhinesmith Chief Operating Officer of Moran, Stahl and Boyer

Henry Rogers & Cowan

Hon. Loret Miller Ruppe Director of the Peace Corps

Richard M. Scaife Chairman of the Carthage Foundation

Gary Shansby CEO of Shaklee Corporation

W. Clement Stone Chairman of Combined Insurance Company of America
A. Lightfoot Walker Chairman, Exec. Committee of City Investing Company
Ex. Dir., President's Commission on Exec. Exchange

Jack D. Wrather Chairman of Wrather Corporation

The Council's advice and expertise will be sought in a number of important areas: creative ways to involve corporations and their employees and families in youth exchange programs, ways to publicize the Initiative to the American public, and, of course, fundraising. You will not be burdened with numerous meetings. We expect the full Council to meet twice a year, with more frequent meetings of the Executive Committee.

We also hope to involve Council members in international events hosted by the governments of our partner nations where they will meet with their private sector counterparts from the other nations.

On behalf of Coy Eklund, Ralph Davidson, and Robert Kirby, I invite you, as an important private sector leader and prominent American, to join the President's Council for International Youth Exchange. I am sure you share President Reagan's desire to build a long-term vehicle for peace, and that you will want to assist this endeavor.

Please write me today with your favorable response. We want you and need you.

Sharles Z. Wick

Charles Z. Wick

Walt Regonand



# EXECUTIVE OFFICE OF THE PRESIDENT OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

NOV 1 1982

MEMORANDUM FOR: Alton Keel

FROM:

Philip A. DuSault 16/ 6 Da fands

SUBJECT:

1983 Offsets to Initiate President's

Political Action Initiative by December 1982

## U.S. Information Agency - No request yet received.

- Reorient grants to private organizations. USIA will make about \$10 million on grants to private organizations involved in exchange of persons activities in 1983. Some of those funds could be reoriented to organizations scheduled for "Democracy Initiative" funding. (\$500,000).
- Reduce professional and technical training. The Agency provides \$1.4 million annually for professional and technical training courses on topics such as intercultural communication and economics for public affairs officers. These are not language and area studies courses. A slight reduction in the training would not seriously hinder agency operations. (\$200,000).
- Reduce centerpiece exhibits by 50%. USIA provides small center piece exhibits to be used with private sector U.S. exhibitors at fairs around the world. This program is not conducted in Soviet Bloc societies and is low priority. (\$150,000).
- Reduce graphic and performing arts activities. USIA plans to spend \$2 million in 1983 sending performing artists and fine arts exhibits abroad. Could be reduced by 25% with only marginal effect. (\$500,000).
- Delay filling non-VOA vacancies. Significant savings can be obtained if positions are left vacant for a longer period of time. (70-80 vacancies for 6 months \$1,000,000).

# Agency for International Development - No request received.

Investment Packaging Loans. This activity, part of AID's central private enterprise bureau, had \$9 million unobligated at the end of 1982 which carried into the current fiscal year. program has been slow in getting started. This reduction will still permit a 1983 level of activity substantially higher than that originally requested, because of the funds carried over. (\$2 million).

- \* Upper Volta, Agriculture Sector Grant. A portion of the program can be deferred to 1984. The proposed level for the activity is \$8.6 million in 1983 obligations, but only \$25,000 is expected to be expended. Therefore, no program delay would result from deferring part of the obligation. (\$2 million).
- Agriculture, Central R&D Program. The program can be held to the amount requested from the Congress for 1983, rather than the level currently budgeted by the Agency. This would still permit an increase of \$3.2 million above the amount actually obligated in 1982. (\$700,000)

State Department has requested 14 employee positions and \$294,000 for their salaries and support in 1983. Some of State's justification appears to duplicate USIA and AID project development and grant-making responsibilities, which should reduce need for 14 positions.

### Possible offsets:

(1) Reduce staff and funds for the UNESCO National Commission - more appropriately privately financed, (\$100,000 of \$642,000 total).

(2) Reduce public affairs conferences, speakers, and publications (\$200,000 of \$5.7 million program).

To: Jim Huntley

From: Herb Edelhertz

6470X 11/23/82

Re: Project Democracy

From a reading of the President's statement, and the Huntley 6/14/82 draft, it is clear that there are three elements that are essential: (1) to determine what end results are sought by such a program, a determination that is sufficiently "clear in fuzzy outline", at least for working purposes; (2) determination of the implementing steps that are called for, e.g. conferences; and (3) development of the tools that will be necessary to make implementation possible. In this "stream of consciousness " memo I principally address the third point, though I will be making some observations about the second.

Taking as a working objective the very general goal of making democracy epidemic through the right kinds of "bacteria" (don't use such terms anywhere else), the arena is so broad as to be almost unmanageable. Such a broad target also means that any effort is probably foredoomed to failure, will be hard to monitor, and almost impossible to evaluate in any meaningful way. I suggest that we consider a more narrow objective, for at least one part of an overall program, the objective of which would be to facilitate transitions to democracy by friendly states that are more or less authoritarian, and by states that may not be friendly initially but wish to make such a transition (a side benefit may be to move states from less friendly to more friendly columns.

What I see as a practical approach here is to develop a body of tools to help with any such transition, where such a transition is desired by a state, or by blocs or forces within a state. This would call for a clear identification of target groups who would use tools, and development of such tools. Let me be more specific.

#### Targets

Democracy, as an objective for transition, can be the goal of those strongly in control of a state, or of a bloc within a the governing group of a state who seek to change its direction, or of blocs or interest groups in a state who are totally outside the power structure. An effective program should be designed to serve all three. A bloc within the power structure may have more influence if it is perceived to be offering viable and workable alternatives, and blocs outside power structures may likewise be more influential if they are perceived to be offering minimally threatening, viable and workable changes in their systems.

#### Tools

Tools should be designed in response to barriers to success. I would imagine that in many instances there are inclinations to move toward democracy, but fears as to what such movements would bring. For example, in Argentina today the military is weak and willing to get out of the way,

Sut they fear change and they fear personal reprisals or loss of status. If we could look for models of transition, consider problems which arose and the ways in which alternatives were considered to deal with such problems, and outcomes, a cafeteria line of such experiences might encourage experimentation. Brazil is in transition now, with its current election. I recall that Columbia has made the transition twice (perhaps this is like giving up smoking several times), and we certainly would have no trouble finding innumerable instances of transitions going wrong---so that we could classify them, consider alternatives for dealing with problems, etc.

My sense is that we could perform real service by developing a cafeterialine that would consist of some of the following:

- 1. An inventory of the kinds of transitions that would be dealt with by such a program. This could cover the broad spectrum from problems faced by non-authoritarian quasi-democracies that must reinforce their positions (e.g. Columbia, Venezuela) through the spectrum that would be characterized by some of the African countries, India, all the way to an El Salvador, Mozambique (which is making noises about moving over), and to a Nicaragua if the circumstances were right for it to change course. In this inventory would also most certainly be situations involving moving into the mainstream of the 20th Century (e.g. Saudi Arabia). Obviously, such an inventory would not mention countries by name, but by descriptions of the kinds of states and situations to which this proposed effort would address itself.
- 2. The "tools" would consist of explications of bodies of experience, as well as designs for dealing with particular problems presented in the inventory. For example, what are the options available in Argentina for the military? It is all well and good to say that human rights violations must be punished, but if this objective stands in the way of a transition to democracy human rights will not only go unpunished, but there is a great likelihood that many other such violations will occur in the future. It should follow logically that if some methods could be designed to put on the plate some ways of closing off the past, e.g. amnesties, inquiry commissions with a mandate to do an examination of the past that is future oriented, i.e. to consider what happened but not point the finger, instead setting up safeguards against repetition, etc., it would make it much easier to effect a transition.

In addition to the foregoing, specific "tools" might be to arm those who want to move their states toward democracy by annotated inventory of democratic mechanisms:

forms of legislatures

options for government-press relationships

options for private/public sector economic relationships ranging from quasi-socialist to capitalist models.

MD?

sources of information and technical assistance, principally non-governmental, that would be available as resources to assist in transitions.

training methods

All of the above is only a "stream of consciousness", hurriedly put together for our discussion. It could certainly be fleshed out in far more detail if it seems a promising course to follow.

## United States Information Agency

Washington, D.C. 20547



November 22, 1982

MEMORANDUM FOR:

P - Scott Thompson

FROM:

Gilbert A. Robinson 0.

Deputy Director

SUBJECT:

"Campaigning for Democracy"

Sometimes when there is a major effort, a project title is chosen, press releases are written, conferences and meetings are put together, and then the news media report on them.

Sometimes, somewhere out there, a headline writer catches a hard glimpse of what it is all about and comes up with even a better name. At times when I have been engaged in activities of this kind, I have found that the way the stories are played gives a further idea how to carry the idea forward.

The Washington Times editorial of November 17 was about the Conference on Free Elections. However, the headline is "Campaigning for Democracy" - wouldn't that be a better title for the ongoing project?