

## *After the 2008 Elections:*

# The National Endowment for Democracy

By James Jordan

During the 2004 campaign, President Bush announced he would increase funding of the National Endowment for Democracy (NED) by 100%. Not to be outdone, Democratic presidential contender John Kerry announced he would triple the NED budget.

The 2008 Obama campaign, released a fact sheet that declared “Barack Obama and Joe Biden....will significantly increase funding for the National Endowment for Democracy (NED)....” Then Senator Joe Biden, for the 2003 twentieth anniversary of the NED, co-sponsored a resolution supporting and reaffirming the mission of the NED. The resolution passed unanimously. In the House, there was only one vote against it. Bipartisan support for the NED is pretty much a given.

With such broad support, is it just possible that our concern is unwarranted? We believe it is quite warranted. The NED is over 90% funded by the Federal Government, yet it undertakes foreign policy programs and objectives with no significant public oversight, no open books. In other words, it carries out foreign policy in the name of the US people without being answerable to them.

This has led to some truly anti-democratic travesties, including funding and helping coordinate organizations that have overthrown elected governments, such as it did in Haiti in 2004 and tried to do in Venezuela in 2002. More often it interferes in elections in ways that would be blatantly illegal if used by a foreign country in the United States. What US citizen would tolerate major foreign funding for campaigns in this country? Yet that is exactly what the NED does all the time — even when it breaks the laws of another country.

The US spent more money per voter in the Nicaraguan election in 1990 than was spent per voter in the US Presidential election in 1988 by both candidates combined! During the past two Mexican presidential elections, persons connected to the NED acted as campaign advisors in contravention of Mexican law and interfered in other ways, helping rob the presidency from legitimately elected Center-Left candidates. These are just two examples among many.

While the NED budget is relatively small, it coordinates transnational corporations, public relations consultants, media and information professionals, politicians, intelligence and military ex-personnel, and segments from big labor for projects that are carried out in the shadows of US foreign policy. The NED has four core institutes which also funnel funds from other sources such as USAID. USAID was created to aid development and poverty alleviation efforts. But the NED has only one purpose: to secure governments friendly to transnational corporations and US political and military objectives through manipulating elections or supporting coups if electoral manipulation fails.

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Even when Republicans and Democrats disagree about foreign policy tactics and strategies, they mostly support the same political-economic objectives. Iraq is a case in point. For us to understand US

“democracy building” in Iraq today, we have to understand US democracy destruction there in the past. Many of us remember when former Secretary of Defense Donald Rumsfeld went to Iraq to negotiate arms sales with Saddam Hussein during the Reagan administration.

That was in 1983, ironically, the birth year of the NED. The US gave Iraq military and other kinds of support throughout the 1980s. This was at a time when Hussein was busy crushing the largest secular democratic movement in the Arab world. The reason the US undermined Iraqi democracy for so many years was because it had both a socialist and a nationalist orientation that had no interest in turning over Iraq’s national resources for huge foreign corporate profits or in cooperating with US political and military plans for the region.

Today, however, the US is busy building a particular kind of Iraqi democracy, with power concentrated in the hands of Big Oil and oil infrastructure companies. Despite whatever opposition to the war exists, almost all members of the US Congress agree that passage of the Iraq Oil Law by the Iraqi parliament should be considered a benchmark of democracy.

But how can that be true when the law is opposed by two thirds of Iraqis, across ethnic, gender, class, and geographical lines, and when it would lead to the biggest oil profit giveaway in the Middle East? The reason is simple: neoliberal democracy measures political freedom by transnational corporate access to resources. Voting is only “democratic” when it does not challenge private economic power and development. The idea that the people might manage resources to their own benefit is, paradoxically, considered unacceptable. The NED’s version of “democracy” boils down to this: one dollar, one vote.

During the Bush administration, the International Republican Institute (IRI), the NED core group chaired by Sen. John McCain, was having a true hey-day. Highlights included support of the unsuccessful coup in Venezuela in 2002 and the 2004 coup in Haiti, in which the IRI provided funding and training to all the major coup players. In Iraq, the IRI has been funded as much as three times more than its other partners in the NED.

Of course, the other core institutes were hardly idle. In 2004, the National Democratic Institute commissioned a poll that was carried out by the rabidly anti-Chavez Venezuelan opposition group, Súmate, which claimed Hugo Chavez would lose an upcoming recall by almost twenty percentage points. They were off by 38% in an election Chavez won by a landslide, certified by organizations such as the Carter Center, the United Nations, the European Union, and the Organization of American States.

What does the election of Pres. Obama mean for the National Endowment for Democracy? Will this be a time for renewed respect for the sovereignty and electoral integrity of nations? If we want to close the NED, we will need to mobilize to educate policymakers about the real role the NED plays in undermining democracy. We have already seen how strong the personal support of both Pres. Obama and Vice Pres. Biden is for the NED.

Two hopeful signs came when the State Department announced that the US regarded as an “internal matter” the Feb. 15 referendum in Venezuela on doing away with term limits. It passed by over eight percentage points. In March the State Department issued a statement after Republican Congressmen warned voters in El Salvador that remittances would be cut off and their family members deported from the US if the FMLN candidate won the presidency. The State Department said publically that the US had no favored candidate in the race.

Certainly this was a far cry from the behavior of the Bush Administration. One must compare the attitude of the State Department today to what was happening in late 2007, when a whole package of constitutional reforms were being voted on in Venezuela. The US government spent some \$8 million trying to manipulate the electoral outcome and several coup plots were uncovered leading up to the vote. In that case, the reform package lost by less than 2%.

Needless to say, it would be nothing but naïve to propose the idea that Venezuela, or any other country, is free of the prospect of US interference just because we have a new president. NED programs are still being funded and carried out in Venezuela that were begun under the Bush administration. But it is crucial to understand that even new programs are not subject to oversight by Congress. There is nothing to guarantee that the IRI, for instance, will cease the nature of its interference — because its books are closed and it is not subject to US voters.

The NED’s bipartisan support just cannot be understated. The new President of the NED is former House Democratic Majority Leader Dick Gephardt, who was previously the Vice Chair of the NED Board. The NED has funded coup plotters that have tried to overthrow elected governments not only in Haiti and Venezuela, but in Bulgaria, Ukraine, Mongolia, and elsewhere. The NED has funded known Nazi collaborators in Eastern Europe, such as Lazslo Pasztor, of the Free Congress Foundation who, in

1990, counseled the NED about groups to support in Hungary. Democratic leadership did not stand silently by while these travesties occurred, it participated in them.



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The NED was founded by Congress in 1983 at the initiative of the Reagan Administration, and Congress sets its budget every year. However, it is considered a private organization. Why? Because Congress says it is. It is beyond comprehension that a taxpayer-funded organization created by and funded by Congress is somehow considered “private.”

But that “private” is the loophole that frees the NED from public oversight and scrutiny. This kind of shadow foreign policy is what makes it possible for the State Department to declare a Venezuelan election an “internal matter” at the very same time that US-supported coup plots may be underway. No matter how progressive a direction our elected government may be moving, as long as we have shadow institutions like the NED, pernicious efforts can be pursued in our names, with our taxes — and without our approval, oversight, or knowledge. Allen Weinstein, who helped write the legislation creating the NED, said in a 1991 interview, “A lot of what we do today was done covertly 25 years ago by the CIA.”

Michael Plattner is a Vice President of the NED. In an article for the Journal for Democracy, he spells out quite clearly the endowment’s world view: “Globalization has fostered democratization, and democratization has fostered globalization. Moreover, both trends generally have furthered American interests and contributed to the strengthening of American power....It is worth emphasizing that the international order that sustains globalization is underpinned by American military predominance.”

The base that elected President Obama is fundamentally more progressive than his administration. It is this organized base that is most capable of making the old adage true: “If the people will lead, the leaders will follow.”

But there are two central matters we must understand about US and neoliberal democracy in relation to the worldwide struggle for participatory democracy:

One: the biggest reason that it makes sense to close the NED is that its program is anti-democratic, no matter what the name says, and details about and the true nature of its activities remain hidden.

Two: Democrats are not going to fundamentally challenge the apparatus of US manipulation of foreign elections unless you and I force them to.

One way to build a movement for real democracy is to join the Respect for Democracy Campaign and to circulate the Respect for Democracy petition demanding that the NED be abolished. More information about this campaign is available at [www.respect4democracy.org](http://www.respect4democracy.org) or by calling 520-243-0381(MST).

When we ask ourselves what the Democratic landslide and election of Pres. Obama means for our struggle, the answer is simply this: It’s not up to anyone else; it’s up to us. We, the people, must create the movement from the ground up for an end to the NED. We must wage the struggle for real People Power both at home and around the world.