

## Kissinger Watch by M.T. Upharsin

### A private 'Project Democracy' fund

Even before the ink had dried on a report showing major corruption in Project Democracy's funding conduit the National Endowment for Democracy (NED), Henry Kissinger's friend and former employee, Larry Eagleburger, had begun to locate private funding sources that will be outside such U.S. government scrutiny. A major step toward creating this private NED was a March 31 meeting convened by Deputy Secretary of State Eagleburger with top executives of the major foundations that are already sponsoring projects in eastern Europe and Russia.

A spokesman for the Rockefeller Brothers Fund who attended the March 31 meeting said that the private foundations having representation at the meeting were: the Ford Foundation, Pew Charitable Trusts, Soros Foundations, Mott Foundation, Olin Foundation, MacArthur Foundation, IREX, and the Carnegie Endowment. Present for the government side, according to Shepard Forman of the Ford Foundation, were the NED, the U.S. Information Agency (USIA) and U.S. Agency for International Development (AID)—all well-known intelligence community conduits for the policies desired by Wall Street.

The most notorious scandal in which these agencies surfaced, was as the financial arm of the "Project Democracy" octopus of public-private agencies created by Oliver North and the Iran-Contra gang. It was called Project Democracy because institutions like NED peddled Adam Smith "free market" ideology, while North et al. peddled guns and drugs to support the Contras. Now, this Project Democracy apparatus is giving the Central America treatment to eastern

Europe and Russia.

At the end of the March 31 meeting, chaired by Eagleburger's assistant, Ambassador Robert L. Barry, it was decided to appoint a consultant named William Bader, to work out a "menu of programs," that will ostensibly bring these private foundations' work in line with the government programs overseen by Eagleburger as President Bush's Coordinator for Eastern European and Commonwealth Affairs.

### Spreading turmoil

*EIR* first learned of the Kissinger gang's efforts to create a private National Endowment for Democracy from a journalist who had interviewed Midge Decter. She is a Project Democracy insider as the former head of the Committee for a Free World, wife of *Commentary* magazine's Norman Podhoretz, and mother-in-law of former Assistant Secretary of State Elliott Abrams, who pled guilty to Conragate offenses. Decter said that Eagleburger had gathered the top foundations (with Kissinger's piggy-bank David Rockefeller taking a personal interest) to set up a parallel NED.

Decter expressed concern that the revival of Project Democracy in Eagleburger's hands would create "turmoil," because it would promote the sort of International Monetary Fund solutions epitomized by Harvard charlatan Jeffrey Sachs's "shock therapy." She said that Kissinger and Eagleburger prefer to deal with former members of the *nomenklatura* (the old communist elites) who have taken the guise of being democratic reformers, rather than anti-communists who opposed the system that has now fallen.

### Ongoing corruption probes target NED

A member of the U.S. Information Agency Inspector General's Office (USIA IG) told *EIR* that it was just completing a report that would show rampant mismanagement of funds in the NED. The NED is controlled by the same Anti-Defamation League (ADL) circles as its social democratic president, Carl Gershman.

There is another scandal being probed by the USIA IG, which again leads directly to Larry Eagleburger's doorstep. It involves AID Administrator Ronald Roskens, whom Eagleburger personally had President Bush appoint as a Deputy Coordinator for Eastern European and Commonwealth Affairs in July 1991.

Officially, the investigation of Roskens ended when he was found guilty and forced to pay back public money he had used for private purposes. According to the AID IG's Office, White House counsel C. Boyden Gray ruled that it was a "technical"—i.e., not criminal—violation of the Ethics in Government Act.

But, one USIA IG member revealed that the investigation was ongoing, telling *EIR*, "There is a fire under Roskens and his associates."

An obvious solution to these ever-mounting scandals was to bring in funds from private foundations to create a parallel NED immune from government scrutiny. One reason why Henry Kissinger had so much wanted Eagleburger, who was president of his global influence-peddling firm, Kissinger Associates, Inc., to take the deputy secretary of state slot, was that it would position Larry to help fill the trough with funds from which Fat Henry and other porkers left behind could wheel and deal.