After the subcommittee chopped Community Action to the bare bones, the politics of poverty began to work peculiarly on the members. Powell and the liberal Democrats started to hear from their influential political friends who (spurred to lobbying by OEO officials) feared they might be cut off from federal dollars. Their arguments were unsettling – ghetto "explosions" and all that were in the offing. The Democrats quickly responded. At a party caucus of committee members, Powell succeeded in anteing up Community Action to a more respectable sum.

The bill is now wending its way through the Rules Committee, and it may get to the House floor late this month, or in early July. Sargent Shriver hopes to get it through the House quickly and concentrate on the Senate, whose more sympathetic Labor and Public Welfare subcommittee (under Senator Clark) may be kinder to OEO.

New, controversial and independent, the OEO has not built up much of a following in Congress. Neither has the poverty program developed a strong constituency among the poor which could back up legislative demands with political pressure. The political equilibrium is still highly unstable; neither the OEO, congressional Democrats, the Republican opposition, the White House, nor the organized poor have enough power or will to make the war on poverty work, nor the mind to make it fail.

Lovestone's Cold War

The AFL-CIO Has Its Own CIA

by Dan Kurzman

Victor Reuther, director of international affairs for the United Auto Workers, told reporters after a visit to the Dominican Republic that the AFL-CIO was "unfortunately" supporting a "small and unrepresentative group" of Dominican trade unions and ignoring the larger democratic ones. Behind this casual remark simmers a bitter dispute within American labor. AFL-CIO President George Meany and his AFL cohorts support an "anti-Communist" foreign policy that is at least as rigid and narrow as that of the Goldwaterites; UAW President Walter P. Reuther and his followers accent political democracy and social reform abroad rather than negative anti-Communism. Their differences surfaced at the recent AFL-CIO convention in San Francisco when Meany men, to loud objections, demanded a resolution urging the Administration to step up its military activities in Vietnam. It was due only to Reuther's unremitting resistance that compromise was reached – leaving it all up to Mr. Johnson.

The man who pushed the "Meany resolution" was barely mentioned in news accounts. Jay Lovestone thrives on anonymity. Yet, few non-governmental figures wield so much influence over foreign policy. As director of the AFL-CIO's international activities, which consume over 20 percent of the federation's $2 million annual budget, Lovestone is Meany's foreign minister, with his own private network of ambassadors, aid administrators and intelligence agents. Labor attachés in key countries, or their assistants, are often more loyal to him than to their diplomatic superiors. Many of his agents overseas are believed to work closely with the Central Intelligence Agency. Considerable government aid money is channeled through his "ministry" – after he decides who deserves to receive it.

Meany entertains little doubt that Lovestone's guidance is enlightened. For who should know better how to fight Communists than a founder and Secretary-General of the American Communist Party, as well as a founder of the Comintern? Lovestone's attitude to Communism, of whatever variety, is that it must be completely isolated; "peaceful coexistence" is appeasement. Virtually unlimited force should be used to crush Communist "aggression," whether in Vietnam or in the Dominican Republic. There is no real distinction between Soviet and Communist Chinese policies.

To CIO leaders, Lovestone is a man who, in his disillusionment, seeks the expiatory satisfaction of bringing

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down the pagan temple. He and his followers, they claim, envisage a world split into neatly defined Communist and anti-Communist spheres destined to meet at Armageddon.

Meany-Lovestone policies have bred antagonism not only inside the AFL-CIO but within the International Confederation of Free Trade Unions (ICFTU), which comprises many of the non-Communist world's important labor federations. Ironically, Lovestone was one of the leading organizers of the ICFTU, which was formed in 1949 to counter the strength of the Communist-dominated World Federation of Trade Unions (WFTU). Since the death of Stalin in 1954, however, most ICFTU union leaders have gradually moved toward the more accommodating policy of "peaceful coexistence," in line with the sentiments of their governments. In so doing, they have come into sharp conflict with the AFL-CIO leadership. And Meany, enraged by the ICFTU's refusal to approve his policies, shouted to an AFL-CIO executive committee meeting in March, 1965 that the world labor group is an "ineffective bureaucracy right down to the fairies."

Last July, the anti-AFL-CIO feeling found an explosive outlet at an ICFTU meeting in Amsterdam attended by some 300 labor representatives from almost 100 countries. To ringing applause, Louis Major, head of the Belgian Federation of Labor, replied to Meany's taunts. "In an organization such as ours," he said, "should not a large organization have to listen to what others have to say? Instead of pursuing a unilateral policy, should not we all listen to each other's experiences and ideas. . . . Do you not think we have a contribution to make?"

Even usually friendly Canadians got in the act. When Meany became involved in a heated dispute with them over the question of how many seats they should have on the executive board, they charged that he was out to humiliate them because they had not gone along as a "me-too colony." Nor did Meany have the support of even part of his own delegation on some of his proposals. Reuther, for example, voted with the majority against Meany on the relatively minor question of which of two Tunisian delegations should be seated.

Afro-Asian Unions

In debates on how to deal with labor in the underdeveloped world, Meany insisted that the ICFTU use its solidarity fund, which is largely contributed by the AFL-CIO, more speedily and efficiently to help build up unions in the Afro-Asian countries. By this he and Lovestone meant the money should be spent to foster anti-Communist sentiments, collective bargaining techniques and union independence from governments. Many European unionists objected. Their own unions are often linked to political parties, so why shouldn't the unions of Africa and Asia have similar links. In fact, they argue, close collaboration between labor, parties and government is desirable in nations seeking swift economic and social development.

The Afro-Asian governments themselves are no longer anxious for the AFL-CIO presence in their countries, though American unionists were more than welcome in the postwar years when the organization supported their independence movements. Now they want to control their domestic unions. Nearly a dozen African unions have withdrawn from the US-dominated ICFTU in recent months and joined a neutralist federation. They haven't forgotten that in 1955 Meany called Jawaharlal Nehru an aide and ally of Communism.

In the hope of doing unilaterally what the ICFTU refuses to do multilaterally, one of Lovestone's top agents, Irving Brown, has set up an African-American Labor Center (AALC) with US government financial support. Designed to permit retention of an AFL-CIO foothold in Africa, this center has sponsored a tailoring institute in Kenya and a motor drivers' school in Nigeria. It is giving vocational training, planning communities, and building cooperatives and housing. It is also promoting "workers' education."

Many Johnson Administration officials are by no means jubilant about Lovestone's thesis that cold war tensions must not be relaxed unless the Communists agree to such unlikely concessions as the reunification of Germany on US terms, or the tearing down of the Berlin wall. Those government officials who wish to further "peaceful coexistence" with the Soviet Union and to build "bridges" to Eastern Europe through increased trade and cultural relations, did not appreciate, for example, AFL-CIO support of longshoremen who recently refused to load wheat intended for Russia.

Nevertheless, as one high US official told me, "labor is more a factor in the conduct of our foreign policy than anyone might have dreamed was possible a few years ago." (As already indicated, with his network of agents on both sides of the Iron Curtain, Lovestone is believed to be cooperating closely with the CIA, though he denies it. He maintains that, as a good American, he would naturally supply his government with information he might receive bearing on the national security.) So valuable is Lovestone regarded that the appointment of labor attachés in many embassies, including such key posts as London, Paris, Rome and Brussels, usually must receive his approval, according to responsible US labor sources. If the attaché is not a "Lovestone man," his assistant often is, and he realizes that the quickest way to advancement is to keep Lovestone posted on his superior's activities. A former labor attaché in a Latin American embassy said that he had refrained from meeting with local labor leaders not ac-

ceptable to the AFL-CIO for fear that Lovestone might find out.

In one recent case, an official in our embassy in Belgrade reported to Lovestone that an AFL-CIO employee was visiting Yugoslavia. On returning to Washington, the traveler, who was trying to get a job as a labor attaché, found that he had to explain to Lovestone why he went to Yugoslavia (he went as a tourist) and what his political views were.

Lovestone's critics in the AFL-CIO, the Labor Department and other government and non-government agencies are reluctant to speak a word against him, as I discovered, except in out-of-the-way restaurants and bars. Some used aliases when telephoning information. "I'd be branded as a Communist and lose my job if it were known that I spoke against Jay," one explained.

After a series of articles I wrote on Lovestone's international operations appeared in *The Washington Post*, Lovestone persuaded Labor Department officials and Leonard Marks, director of the United States Information Agency, to cancel plans for distributing the articles to US missions abroad.

Something of a Mystery

Lovestone's remarkable achievement in moving from the leadership of the American Communist Party to an informal position of power within the policy-making structure of the US reflects his extraordinary drive, resilience and political skill. A tough but distinguished-looking man with white hair and a large nose, Lovestone, despite his 67 years, often works up to 18 hours a day in his apartment in New York or in Washington.

Migrating with his parents from Lithuania at the age of 10, Lovestone graduated from the College of the City of New York. He spent the following years studying law and accountancy and working as a druggist, statistician, envelope-maker and social worker. Having joined the Socialist Party while still in college, he helped to split off the party's left wing and reorganize it into a Communist Party in 1919. He edited the official party newspaper, *The Communist*, and gradually worked his way to the top.

Even in the conspiratorial atmosphere of Bolshevik politics, he was, as he is now, regarded as something of a mystery. Benjamin Gitlow, who also defected eventually from the Communist Party, writes in his book, *I Confess*, that "not a man in the party knew anything more about him" than that he was unmarried. He was "a veritable Tammany chieftain among us Communists," Gitlow writes. "One of his most successful methods was to call a comrade into his office, tell him extremely confidential information, obtaining in return a solemn promise that the matter would not be disclosed to a soul. In that way he won the support of numerous party members, who believed they were particularly favored by him. . . . He sold [Communism] with particular success to ambitious intellectuals, especially the naïve and the uninitiated, with the persistence of a Fuller brush salesman. . . . Lovestone seldom failed. Inside the party he high-hatted no one. He could stoop to the plane of the most backward party member."

After becoming Secretary-General, Lovestone, as a leader of the Comintern, went to its 1928 congress and supported Nikolai Bukharin in his struggle for power with Stalin. "I was not only a personal friend of Bukharin," Lovestone told the House Un-American Activities Committee in 1939, "but I had fundamental agreement with him on international questions, though on Russian questions I had agreement with Stalin and not with him."

In 1929, Lovestone confidently went to Moscow to plead his case after winning a 90-percent majority in a party election. "I had an illusion in which I was wrong – that I could change them, or convince them . . . not to declare war on us," Lovestone explained a decade later to the House committee. But the illusion was soon dispelled. Lovestone and other American Communist leaders were charged with promoting party factionalism and "exceptionalism," the doctrine that under special circumstances it is possible to diverge from the party line. On his return home, Lovestone found himself an outcast from the party on Stalin's orders. He did not abandon Communism, but established an opposition Communist Party whose members became known as Lovestonites. Finally, giving up on Stalin, Lovestone converted his group in 1936 into the Independent Labor League of America. A pamphlet he wrote called for the "establishment in the transition period between the capitalist and socialist societies of a workers' state – a dictatorship of, by, and for the workers, but free from the errors and terrors of Stalinism."

"Capitalism," Lovestone thought, "has succeeded in destroying almost all vestiges of freedom." He opposed "any war conducted by a capitalist government in Washington because such a war can be only reactionary and for imperialist ends."

But the Lovestonites bitterly fought the Stalinists in the labor unions in the late 1930's, supporting in this effort President Homer Martin of the United Auto Workers and David Dubinsky of the Ladies' Garment Workers' Union – ironically, since Lovestone had tried earlier to destroy Dubinsky's leadership.

In 1940, Lovestone disbanded his organization, gave up Marxism, and threw himself into the struggle against Hitler, taking a job as head of the labor committee of the American Committee to Defend America.

Dubinsky, fearful that the Communists would grab control of the world free trade union movement after the war, selected Lovestone to direct his trouble-shoot-

ing international relations department. Subsequently, Lovestone took on a second anti-Communist job, Executive Secretary of the Free Trade Union Committee, established by Dubinsky, AFL President William Green, Meany (then Secretary-Treasurer), and other labor leaders.

During the postwar years, Lovestone played a vital role in meeting Stalinist thrusts. His principal agent was and is Irving Brown. The two had met in 1932 at a socialist club meeting at New York University, and four years later Lovestone got Brown a job with the UAW. In 1945, he sent Brown to Europe on a trouble-shooting assignment. Brown stayed for 17 years.

Supplying European unions with money, typewriters and technical help, Brown managed to split some labor groups away from Communist-dominated labor federations in France and Italy. Though some critics say this simply gave the Communists complete control of the largest federations in these countries, it apparently prevented the success of general strikes that threatened to paralyze the Marshall Plan. Brown also financed and organized strong-arm squads to thwart Communist efforts to keep French stevedores from unloading ships carrying Marshall Plan goods.

Elsewhere, too, Lovestone's agents were active after the war. Harry Goldberg, an old Lovestonite, promoted free labor movements in India, Indonesia and Italy. Carmel Offi worked in the State Department, Benjamin Mandel for congressional security committees.

While the AFL was thus fighting Communism abroad, the CIO found itself in a dilemma. It had helped form the World Federation of Trade Unions, which included Communist unions. But, as the AFL had warned, the Communists came to dominate the organization, and in 1948, the CIO finally withdrew and joined the AFL in forming the ICFTU.

Latin American Agents

In Lovestone's vast international labor empire, no area gets more attention, advice, money and intelligence agents today than Latin America. Here, Lovestone works through two instruments. One is the Inter-American Regional Labor Organization (ORIT) – the Latin branch of the International Confederation of Free Trade Unions (ICFTU) – which he and his agents dominate much as the US government dominates the Organization of American States (OAS). The second instrument is the American Institute for Free Labor Development (AIFLD), which has its US government counterpart in the Agency for International Development (AID). The announced functions of this latter organization are to train Latin workers in democratic unionism and to provide housing, banks and other institutions for them. But many US and Latin American labor officials view as one of the principal functions of both ORIT and AIFLD one that is unannounced – support of Central Intelligence Agency operations.

The willingness of ORIT members to accept almost all AFL-CIO recommendations, however reluctantly at times, is a welcome relief to Lovestone after the rebelliousness of some other ICFTU members. Nor is ORIT's work without merit. It teaches Latin labor leaders the essentials of democratic unionism at regional seminars, at a school in Mexico City, and through cooperation with outside educational institutions.

ORIT-trained pupils have won control of some unions that had been dominated by Communists and reduced Communist influence in others. Such leaders recently wrested from the Communists Honduras' Central Federation of Labor and Standard Fruit Company workers, Uruguay's port workers, and key El Salvadorean unions. In British Guiana, AFL-CIO advisers and funds helped in 1964 to derail a strike called by former Prime Minister Cheddi Jagan to force replacement of a democratic ORIT sugar workers' union with one that Jagan controlled as the sole union bargaining agent.

Like the US government, however, the AFL-CIO is reluctant to promote genuinely profound social change for fear that the Communists will turn a revolutionary situation to their advantage. It is a policy, naturally, that lends itself to the support of dictatorships in the name of anti-Communism, so long as the AFL-CIO is given a free hand in the "guidance" of local unions. Thus, the US labor federation has cooperated with "military dictatorships" in Honduras and Guatemala, where AFL-CIO activities are welcomed, but has snubbed what are referred to as "totalitarian dictatorships," such as Haiti, Paraguay and Spain, because these governments wish to monopolize control of their unions. The AFL-CIO has even indicated a preference for the forcible ouster of a constitutional government, if such a regime does not cooperate with it and the forces ousting it do. The AFL-CIO backed the military in last year's Dominican revolution, the goal of which was to bring Bosch back from exile to the presidency. Lovestone thought that the US had erred in sending the Marines to put down the Dominican revolution, rather than sending soldiers. Marines, he reasoned, have a bad reputation in Latin America for doing in the past exactly what they did last year. Otherwise, however, he staunchly supported the intervention.

The AFL-CIO's support of dictatorial regimes has a long, and sometimes ironic, history. When Col. Carlos Castillo Armas challenged the Guatemalan government of President Jacobo Arbenz, AFL-CIO representatives exerted enormous pressure on Latin American members of ORIT to pass a resolution endorsing Castillo Armas by name. The Latins finally agreed, though they did

not want to go on record as backing Castillo Armas, who had dictatorial ambitions himself. Subsequently, the Americans were embarrassed when the victorious Castillo Armas suppressed the union movement and would not cooperate with the AFL-CIO.

In the 1964 Brazilian revolution, Lovestone and ORIT, like the US government, threw their weight behind the new military regime immediately after it took office, and while it was arresting thousands of people and eliminating the political rights of others. The new Brazilian leaders, an AFL-CIO official explained, had promised to reform Brazil's labor system under which the government had long controlled the unions. But it soon became apparent that these leaders had little intention of changing this system.

"How did we know that we'd be double-crossed?" an AFL-CIO official lamented.

The AFL-CIO also backed the Cuban Confederation of Labor (CTC) during the regime of Fulgencio Batista, though this organization was one of the dictator's principal pillars of support. The CTC, when confronted with an ORIT resolution denouncing Batista and the CTC, found the AFL-CIO a loyal friend. Though faced with massive resistance, the American federation managed to eliminate from the resolution any condemnation of the CTC. As Latin pressure on the AFL-CIO increased and Batista's position weakened, Lovestone, in March, 1958, secretly sent Serafino Romualdi, then the AFL-CIO delegate to ORIT, to Havana to feel out rebel Fidel Castro on a "deal." Romualdi got CTC Secretary-General Eusebio Mujal to contact Castro and offer him the CTC's support if he would agree to let it retain its freedom, and presumably the AFL-CIO's tutorship. Castro ignored the offer, and when he took power, the CTC leaders fled and new democratic union leaders emerged. They cut relations with the AFL-CIO for having supported a Batista-controlled apparatus. In the view of some observers, Cuban labor might have been able to resist eventual domination by Castro, and possibly thwarted his betrayal of the Cuban revolution, if the democratic leaders had had AFL-CIO support.

Not surprisingly, former CTC leaders who had worked with Batista – and are suspected of having CIA connections – were soon attached to organizations backed by the AFL-CIO: Eusebio Mujal as head of the Central Cuban Workers in Exile in Mexico; José Artigas Carbonel, former CTC treasurer, as representative of the AIFLD in Central America; and Esteban Rustan, former Secretary-General of the Confederation of Bank Employees, as ORIT man in Costa Rica.

Lovestone's chief agent in Latin America is Andrew McLellan, editor of the *Inter-American Labor Bulletin* and the AFL-CIO delegate to ORIT. McLellan enjoys more independence than other Lovestone agents. His quick rise to his present important position despite a limited trade union background is regarded by some AFL-CIO colleagues as more the result of ties with certain government agencies than of his labor experience. As tough as he looks, McLellan reports that in early 1963 "we actually had to fight the Communists in the streets" of Santo Domingo. Young rioters armed with bicycle chains took over the main shopping center of the city and threatened to smash the windows of any shops that opened. With McLellan's encouragement, "the port workers brought their hooks, which had a powerful psychological effect." A mob paraded with a casket bearing McLellan's name, but the streets were soon cleared.

Parallel Operations

To some degree, recent close coordination between his operation and the State Department's in Latin America can be attributed to McLellan's long friendship with Thomas C. Mann, until recently Undersecretary of State for Economic Affairs. Mann is a native of Laredo, Texas. McLellan lived nearby and says he knew the Mann family. The two men worked together in El Salvador in the mid-1950's, Mann as Ambassador and McLellan as ORIT representative in Central America. They found much in common.

Hardly had Mann taken over as Assistant Secretary for Inter-American Affairs under President Johnson than he invited McLellan and Lovestone to speak to his staff. Lovestone did most of the talking, vigorously taking issue, incidentally, with the thesis of Walt Rostow, then State's Policy Planning Council Chairman, that differences between the Soviet Union and Communist China are meaningful.

One indication of the regard in which the State Department has held Lovestone and McLellan was an effort to insert AFL-CIO influence in matters concerning the Organization of American States. This happened late in 1964 when OAS officials asked a finance committee to support the training of Latin American workers in development planning. The US representative suggested that they consult first with McLellan to make sure the program would not interfere with the AFL-CIO's activities. The officials reluctantly agreed to do so, and over lunch McLellan, after sharply questioning them, agreed to the plan. He suggested that they meet with him for regular consultations, but the officials, already nettled, saw no reason why they should consult with a private organization.

The close rapport between the AFL-CIO and the US government in their parallel Latin American operations, particularly their common "pragmatic" attitude toward political and social development, has hardly turned ORIT into a popular champion of Latin labor. US and Latin critics say that ORIT today, though embracing

six million of Latin America's estimated 15 million organized workers, has little real vitality and is regarded with disdain by many workers, including a large number within the organization itself. What mainly holds ORIT together, say these critics, is the willingness of the AFL-CIO, as in Europe and elsewhere, to pay cooperative union leaders well for their services – from what appears to be an inexhaustible kitty.

Lovestone and ORIT have also benefited from a scarcity of competition. Fidel Castro failed in one effort to set up a Communist-controlled rival confederation, though he may have better success with a new one that is designed for greater appeal to non-Communist workers. About two million workers, including the Cubans, now belong to Communist-dominated unions.

More popular, and perhaps the labor organization of the future, is the Latin American Confederation of Christian Trade Unions (CLASC), which attacks ORIT as a tool of US "imperialism." McLellan has replied that it is hard to view CLASC as non-Communist. Various attempts at reconciliation have failed. CLASC demands immediate social revolution, apparently including the use of force when necessary. It reflects the nationalism and the fear of American-style free enterprise that many Latin Americans feel. In short, it is a Latin-dominated and not a US-dominated organization.

Footwork in Guyana

In the face of such threats, Lovestone is counting on the AIFLD to help keep Latin labor in line behind his, or at least CIA, policies. As it is a strictly US organization, he can use AIFLD more openly for this purpose than he can the multilateral ORIT. The AIFLD is a non-profit institute administered by the AFL-CIO, but backed as well by 60 US business firms and the US government, which finances or guarantees about 80 percent of its program.

This program, since inauguration of the Institute in 1962, has produced about 400 graduates in democratic labor education from a training school in Washington, and some 2,000 graduates of schools in over a dozen Latin American countries. It has sponsored construction of a $10 million workers' housing project in Mexico, embracing 3,100 units, and several hundred houses in Honduras. It has established a Workers' Housing Bank in Peru and provided over $60,000 for "impact" projects, including food distribution and laundry cooperatives. In mid-May, urgent telephone calls from State Department officials to Meany elicited an AIFLD commitment of $2 million for the building of over 500 houses in the newly independent nation of Guyana to get the US off on the right foot in that country.

Nevertheless, the AIFLD has made enemies in Latin America. The Costa Rican press recently castigated the Institute for trying to impose what it called unjust conditions for participation in a proposed $1.2 million housing program. It particularly criticized AIFLD insistence that the Institute determine which individuals will get the houses, feeling that they should not be distributed as possible offerings to "cooperative" labor leaders. Nor did the Costa Ricans hide their fury about a stipulation that they hire US rather than local engineers to design the houses.

In Argentina, labor leaders have all but given up on a $10 million AIFLD housing project promised their workers in April, 1964. The first house has yet to be built. In the Dominican Republic, a US technician supervising an AIFLD housing project wrote AID officials that "the major defect in the planning of the project is that it was obviously designed to impress the USA with the tremendous impact of the AIFLD rather than serve the practical necessities of the Dominican Republic and Dominican labor."

The Institute's labor training program, in particular the policy of paying graduates almost a year's salary after they finish their course, has also drawn fire. How can such a labor leader go back to his union and run it independently, they ask? Nor is the image of "independence" enhanced, they say, when Lovestone and his agents boast that their pupils have participated in the overthrow of governments, however undesirable. Such a boast was publicly made, for example, following the ouster of Brazilian President Joao Goulart in 1964.

No less intolerable to the critics is the makeup of AIFLD's board of directors, which includes many big businessmen such as Board Chairman J. Peter Grace, who is not reputed for his friendly attitude toward labor. According to Lovestone and Doherty, their presence on the board offers an example to Latin American workers how capital and labor can cooperate.

In short, say the critics, though very quietly, the principal purpose of the AIFLD is not to build houses or to promote democracy, but to help the CIA gather intelligence and manipulate political forces. At least some persons working for the Institute are known to have been asked to cooperate with the CIA. They are told, one informant said, that "Latin America's social revolution must be diverted into proper channels." "Proper" means acceptable to Jay Lovestone.

"The tragedy is," one US labor authority said, "that the AFL-CIO, which has done so much to promote social reform in this country, is afraid to do as much for workers abroad for fear that too much change will play into the hands of the Communists. As a result, it has allied itself with the forces most disinterested, or opposed to, change – rightist dictators, espionage groups, corrupt labor leaders, and feudalistic politicians – the very people on whom the Communists are depending for ultimate victory."