

Tells the Facts and Names the Names CounterPunch

JANUARY 1-15, 1998

Ken Silverstein & Alexander Cockburn

VOL. 5, NO. 1

■ IN THIS ISSUE

Freedom House Crusades for Democracy in Warsaw Bedroom

- Hand on heart (but heart in mouth): Cold War crew tries to bury scandal
- Freedom House boss "accidentally" charges thousands in love calls to USAID

How Dachau's Spirit Lived On at AEC

- Nuking Bibeau's gonads

Our Little Secret

- Michael Kennedy's Wage Bloat
- Sonny Bono's Wooden Head
- Costner's war on nature/ Stone's war on the past/ Spielberg's war on New London
- Nuclear egg on Enron's face
- He-e-e-re's Larry: Can a Dakotan rise from the dead?

Sex, Dollars & Freedom

For the past 18 months, some of the best known names in political Washington have conspired to cover up the misappropriation of thousands of dollars of US government money by the head of a major human rights group. The money — scheduled to promote democracy in Eastern Europe — was apparently spent to further a personal romance between the man who misspent the funds and his Ukrainian mistress.

The organization in question is Freedom House. The man is the group's president, Adrian Karatnycky, who — according to informed sources and internal memoranda — diverted roughly \$4,200 in money given to Freedom House by the US Agency for International Development (USAID). Karatnycky used it to pay for telephone calls to his mistress in the Ukraine and install her in a Warsaw hotel for a romantic interlude.

When Karatnycky's unauthorized use of public money became known inside Freedom House, the organization's executive committee — which includes Jeane Kirkpatrick, Max Kampelman, Mark Palmer and Morton Kondracke — chose to cover up the whole affair. Freedom House officials opted for this course of action despite being warned that such a step could "cause damage to [Freedom House] and negatively impact the reputation, relations and funding of the institution".

Freedom House was originally founded by Eleanor Roosevelt to fight fascism but over the last generation, though supposedly an independent human rights group, has become the instrument of a particularly bellicose faction in foreign affairs. USAID and the United States Information Agency provide a majority of its money, with most of the rest coming from right-wing do-

nors such as the John M. Olin Foundation and the Bradley Foundation (as well as from Pew Charitable Trusts and George Soros). Freedom House also has very tight links with the National Endowment for Democracy, the quasi-governmental agency created by the Reagan administration in 1983 to ladle out money across the world to advance US political interests.

Historically, Freedom House has been a watering hole for fanatic Cold War crusaders, many who crossed from the Democratic to Republican Party during the Reagan years. Another strain in its ideological bloodlines stems from a Trotskyite grouping whose opposition to the Soviet Union led it to increasingly manic Cold War postures and outright conversion to Reaganism.

Freedom House offered enthusiastic support for Reagan's military build up to confront the Soviet Union and for anti-Communist "freedom fighters" in the Third World, especially the Contras in Nicaragua. A chief passion today is Cuba. Freedom House has been a virulent supporter of the blockade against Havana, a posture which has earned it a running spot on The Miami Herald's op-ed page.

Karatnycky previously worked under Lane Kirkland — who sits on the board of Freedom House — at the AFL-CIO's international affairs division. That outfit's chief mission was undermining left-leaning regimes looked upon unfavorably by the US government. Other top officials at Freedom House include:

- Jeane Kirkpatrick, the former ambassador to the UN under Ronald Reagan. Kirkpatrick won her post by writing an essay for Commentary in which she made a distinction between unacceptable "dictatorship"

(continued on p. 5)

Our Little Secret

ST. MICHAEL THE SELFLESS

As with many Kennedys on the last stop before their final resting place, the eulogies at Michael's funeral gallantly outstripped reality. Michael Kennedy's nympholeptic passage with his 14-year old baby sitter was tactfully overlooked by all, except for his step-mother-in-law Kathy Lee Gifford, who fiercely denounced the paparazzi press, insisting that Michael hadn't laid a finger on the nanny till she was 16.

Heavy emphasis was laid on Michael's selfless devotion to the common good, via his non-profit venture, Citizen Energy. The word "selfless" does need some qualification. Our Little Secret checked the non-profit's tax filings and we can report St. Michael was paying himself \$600,000 a year. Call it a package worth \$650,000 if benefits are added in.

Editors
KEN SILVERSTEIN
ALEXANDER COCKBURN

Co-writer
JEFFREY ST. CLAIR

Production
TERRY ALLEN

Counselor
BEN SONNENBERG

Design
DEBORAH THOMAS

Published twice monthly except August, 22 issues a year:

\$40 individuals,
\$100 institutions,
\$25 student/low-income
CounterPunch.

All rights reserved.

CounterPunch welcomes all tips, information and suggestions. Please call or write our offices.

CounterPunch
P.O. Box 18675,
Washington, DC 20036
202-986-3665 (phone)
202-986-0974 (fax)

This is a fierce pile of moolah for any executive running a nonprofit. The highest paid executive in the environmental sector used to be Jay Hair, at the National Wildlife Federation. At the time Hair was finally forced out in 1995 he was pulling down \$298,876 in wages and benefits, scrawny in comparison to Michael's majestic self-compensation.

CounterPunch surveyed salaries in the public interest sector in July of 1996 and at that time we found that the Heritage Foundation's Edward Feulner was raking in \$433,611, while the head of the NRA was scraping by on \$184,708.

We have to turn to the private energy sector to get the measure of Michael's money, and we find that he was paying himself nearly twice what Michael Baly III of the American Gas Association was piling up in annual compensation.

And what about Citizens Energy, so lavish in its yield for Michael Kennedy? At the moment Citizen Energy is anxiously awaiting the brave new world of deregulated electric utilities, ardently pushed by Michael's brother, RFK, Jr., and Junior's colleagues at the Natural Resources Defense Council. NRDC's boss, John Adams, surely gnashed his teeth at Michael's bloated pay package, since Adams was fishing his food out of trash cans on the Upper East side, unable to make ends meet on his \$220,000, including benefits.

KNOCK ON WOOD

Joining Michael Kennedy on that great ski slope in the sky is Rep. Sonny Bono, dead in another ski collision with a tree. Given the thickness of Bono's head, it's surprising that the tree managed to make any sort of dent. One could say it was a meeting of like minds, but this would not be fair to the arboreal side of the fatal encounter, which deservedly triumphed in the collision.

Deservedly? Trees in California had ample reason to dislike Congressman Bono, particularly in the Tahoe basin where Rep. Bono meet his end. Rep. Bono had been an eager supporter of logging plans around Lake Tahoe, and viewed

attempts to protect nature as outrageous impediments to his own right to pillage. Why, Bono once declared, he'd decided to run for Congress when thwarted by the Endangered Species Act from expanding the square footage of his home in Palm Springs. The memory of the great legislator will no doubt be preserved in the form of clearcutting through the Tahoe ski slopes, lest disaster strike again.

COSTNER'S NEXT, THEN OLIVER!

If nature continues in this vindictive mood, Kevin Costner had best avoid the Clackamas River in the Oregon Cascades. For months of 1996 Costner and his crew filmed the ludicrous Postman (from a dreadfully written novel by eco-science fiction writer David Brin) in the Clackamas setting. For months on end a particularly beautiful stretch of the Clackamas, part of the Mt. Hood National Forest, was closed to all while Costner and crew labored through his enervated epic.

Our Little Secret has talked to a Wilderness Ranger who wouldn't go on the record by name, but who tells us that the Clackamas was "paradisical before, but looked apocalyptic after Costner left."

The same criticism was made after Steven Spielberg, the Nemesis of the Ballona Wetlands, finished his new film, Saving Private Ryan, filmed on a notably beautiful strand in south-east Ireland. Oliver Stone's crew rampaged through Anasazi sites in the American Southwest when filming the peyote sequence in The Doors. This should give pause to greens now whispering excitedly that Stone's next movie will be about the environmental movement.

WHAT WE BELIEVE

Two causes dear to the heart of Our Little Secret: Make smoking legal in California bars again. (The ban started on January 1.) Many an agreeable saloon across California has survived through the dogged loyalty of half a dozen drunks. The legitimate fear of the bar owners is that with the smoking ban the drunks will stay home and smoke in bed with a couple of six packs to hand. Anyway, what are a bars for, if not to ingest poison?

Cause number two: End the noxious eagerness of city councils and country supervisors across America to lure film