

Tells the Facts and Names the Names CounterPunch

MAY 15-31, 1998

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VOL. 5, NO. 10

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Hating Castro, On \$2 Million a Year

Amid roars of triumph in right-wing circles, Congress in 1995 passed the Cuban Liberty and Democratic Solidarity Act, which tightened the US trade embargo on Cuba. At first, President Clinton promised to veto the legislation — better known as the Helms-Burton law after its two chief sponsors, Sen. Jesse Helms and Rep. Dan Burton — but in early 1996, with his eye on the Florida vote in that year's presidential election, he signed it into law.

Amid the provisions of Helms-Burton was an enticing bowl of gravy: \$2 million per year to be distributed to "individuals and independent organizations to support democracy-building efforts for Cuba". This grant money has started flowing and many of the recipients turn out to be Miami-based Cuban-American cold warriors linked to groups like Freedom House and the National Endowment for Democracy. And guess what? Information provided to us by Ana Radelat, a Cuba expert who closely monitors Helms-Burton, shows that most of the largest grants have gone to people who lobbied for Helms-Burton or who were big supporters of the law.

The chief purpose of the Helms-Burton bill is to allow Cubans who fled after Fidel Castro took power in 1959, and who later became US citizens, to advance claims in US courts on property nationalized by the Cuban government. They could even sue foreign nationals and companies that have indirectly benefited from the use of their former properties.

The major beneficiaries of the legislation are the people who plundered Cuba during the Batista dictatorship that preceded Castro, especially Florida-based sugar barons, cattle ranchers and distillers. Indeed, Helms-Burton is

known informally as the "Bacardi Bill", because the law gave Bacardi Rum Co. its cherished opportunity to sue Pernod Ricard, a French firm that distills rum in Bacardi's old plant in Santiago de Cuba.

Furthermore, the legislation was drafted with the help of Ignacio Sanchez, a lawyer for Bacardi, and Nicolas Gutierrez, whose family had 100,000 acres of land expropriated by Castro. Gutierrez also worked as a lawyer for Bacardi and sits on the board of the Miami-headquartered National Association of Sugar Mill Owners of Cuba. Two of the bill's prime backers were Juan Prado, a retired Bacardi executive whose family lost \$76 million (in 1960 dollars) when Castro took power, and Manuel Cutillas, who heads both Bacardi and the US-Cuba Business Council.

Unlike the Bacardi crowd, most people and companies with big outstanding claims in Cuba opposed the Helms-Burton law. That includes ITT and Amstar, both which had property expropriated by Castro and are now in the tourism business. Those companies recognize that Cuba has no hard currency to settle cash claims and would prefer to negotiate settlements directly with Castro, preferably in the form of a hotel/resort joint venture.

The political slush fund that is supposed to "promote democracy" in Cuba was inserted into Helms-Burton by Rep. Bob Menendez, a Democrat from New Jersey who compares Castro's regime to Nazi Germany. The Washington newsletter Cuba Info recently published a list of slush fund recipients.

One of the largest is the Institute for Democracy in Cuba, which took in \$400,000 and whose leaders include Nicolas Gutierrez. Gutierrez — whose father was briefly jailed in 1959 for help- ("Hating Castro", continued on page 6)

Our Little Secret

MIKE FOSTER'S REVENGE

Last summer we reported on Louisiana Governor Mike Foster's threats against the Tulane University Environmental Law Clinic. Foster is mad at the clinic for coming to the aid of residents in Convent who are fighting plans by Shintech, a Japanese chemical company, to build one of the world's largest polyvinyl chloride plants in their small, largely black community along the Mississippi. Foster charges that the law clinic, headed by law professor Bob Kuehn and staffed students, is out to undermine his administration's industrial development program—consisting mainly of offering lucrative tax inducements for polluting companies to move to Louisiana. The governor vowed that if the University didn't put the clamps on Kuehn and his upstart band of students, he would search out ways to ravage the university's budget.

Foster, a millionaire who made his fortune from sugar plantations and oil wells, kept his promise. He has instructed major business executives in the state to withhold contributions to Tulane, citing the Law Clinic's trouble-making. He also

went on television and threatened to revoke the university's tax status. Allies of the governor petitioned the Louisiana supreme court to investigate the clinic, a task which the court duly accepted.

Now there is a move afoot by the Louisiana state board of education regents to deny Tulane \$2.48 million in state matching funds unless incoming university president, Scott Cower, pledges to neuter the law clinic. The blackmail ploy was the brainchild of a regent named Roland

The Guv to Tulane: Kill the Law Clinic or lose the money.

Toups, a Baton Rouge industrialist and Foster crony, who said he didn't much like the notion that state money was financing an outfit that put roadblocks in front of such honest businesses as Shintech. Toups's scheme enjoys the hearty support of three other regents. Over the past two years, outgoing Tulane president Eamon Kelly has admirably resisted such overt power plays. But Foster and his allies have more hope of winning Cower's ear. After all, Foster said, the man's a former business school dean.

For Kuehn and his students the threat from the regents raises the pressure to a new level. "This is an astounding proposal to violate the First Amendment," Kuehn tells us. "It's a flat out retaliatory action against a university giving assistance to poor people petitioning their government for grievances."

ALABAMA JUSTICE

The scandal involving GM's treatment of its black dealers and their customers continues to unfold in ever more intriguing episodes. The case of Charles Bell is instructive. Bell was recruited to the GM minority dealer program in 1979, becoming the company's first black dealer in Alabama. His Tuskegee operation was apparently so successful that white GM dealers in nearby Montgomery saw soon Bell as a threat. The white dealers made their displeasure known to GM and the company's credit arm, GMAC. In the late

1980s Bell's dealership began to suffer an inexplicable downturn in sales and he was suddenly subjected to much harsher credit terms than any of the other Montgomery area dealers. Bell ended up filing suit against GM in July of 1992, thereby setting off a legal case now rivalling in complexity the Jarndyce v. Jarndyce suit in Dicken's Bleak House.

Among other compelling pieces of evidence, Bell presented at trial a detailed statistical analysis showing that GMAC credit practices discriminated against his dealership in favor of nearby white-owned dealers. In short, the study showed that applicants for car loans at Bell's dealership were more than 25 percent less likely to be approved for financing by GMAC than applicants with similar credit profiles at white-owned dealerships in Montgomery. GM's lawyers didn't dispute the study and on June 7, 1995 a jury returned a \$27 million verdict in favor of Bell. GM appealed and the Circuit Court reduced the award to \$18.8 million.

Then GM appealed again, this time to the Alabama Supreme Court. In a decision notable for its chop-logic reasoning, the Alabama Supreme Court, in a divided ruling on September 24, 1996, overturned the jury verdict, ordering a new trial. Bell's more than able lawyer, Jay Smyth, filed petition with the court asking for a rehearing, a procedural move that is typically denied in a matter of weeks. But Smyth's petition, a devastating rejoinder to the court's ruling, sat in legal limbo for nineteen months—fifteen months longer than it took the court to decide the original case. Apparently, the Alabama supremes were hopelessly deadlocked on the motion.

Then on March 26 one of the justices, Terry Butts, a Democrat who had sided with Bell in the initial ruling, suddenly announced he was stepping down from the court to run for the distinctly less prominent position of state attorney general. Curiously, most political observers in Alabama give Butts scant hope of unseating the current AG, Bill Pryor. Pryor has endeared himself to the hearts of all right-minded Alabamans by indicting Barnes and Nobles as a purveyor of smut for selling two photography books, *Radiant Identities* by Jock Sturges and *Age of Innocence* by David Hamilton, featuring nude and semi-nude tots and teens. Pryor has also gone to court to argue on behalf of Etowah County judge Roy Moore's right to display above his bench the Ten Command-

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Published twice monthly except
August, 22 issues a year:
\$40 individuals,
\$100 institutions,
\$25 student/low-income
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CounterPunch

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