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Labor

\$15 M.

1. Trade unions are a critical political force in a number of key countries. We must project our programs in this vital area both to promote free trade unions and to combat communist penetration and control of labor institutions.

2. We should immediately expand funding to the three major AFL-CIO free labor institutes directed toward Latin America (AIFLD), Africa (AALC) and Asia (AAFLI). The ratio of programs to overhead was 70%-30% four years ago. Now it is reversed: 30%-70%. There has been scant, if any, growth for 4 to 5 years. The funding for FY '82 is as follows:

AAFLI (Asia)	\$4.1	4.1
AALC (Africa)	2.7	3.0
AIFLD (LA)	6.3	8.0

A supplemental of \$10 M will restore the ratio to a 70%-30% program ratio. (AID to institute.)

3. The International Trade Secretariats, which are involved in most functional areas of labor, are also significantly affected by the absence of funds. ~~Formerly supplementally aided by~~, AID could selectively fund certain ITS'. Carefully administered ITS programs can be fostered in Nicaragua, El Salvador, Brazil, Argentina, Philippines, Thailand, Malaysia, Korea and Peru.

A. AID discretionary fund to support ITS' (in collaboration with State, labor attache reporting and the AFL-CIO) is recommended:
\$1 M.

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4. European Labor Information Office (\$1 M)

This program would be designed to provide support to ~~demonstrate~~ ^{democratic} labor elements in East Europe (Poland), and particularly Spain, Portugal, Greece and Turkey. Its funding would be via USIA as no AID programs are covered in this geographic region. Greater participation is envisaged in selected international labor groupings located in Europe. A major information and publishing program would be undertaken to provide solid documentation in a number of key issues: INF/TNF, gas pipeline, nuclear freeze, etc.

5. The Department of Labor has developed a comprehensive program designed to revitalize trade union exchange programs with nations influenced by Communist or other anti-democratic labor activities. The Free Labor Leader Program would be run by the Department of Labor in collaboration with State, USIA, AID, the NSC and the AFL-CIO. Priority areas would focus principally on Latin America and secondarily on Southwest Pacific and Europe. Planning has been developed with 400 exchanges projected per annum. Budget: \$3 M.

6. It is further recommended that two interagency working groups be established:

- Working group on labor programs (State (Chair), AID, DOL, USIA, NSC). This group, as appropriate, would consult the AFL-CIO and the private sector.

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-- Working group on labor information (Labor (Chair),
State, AID, USIA, NSC, CIA)

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Examples of institute funding:

1. Bolivia - 150 K - permit continuation of free TV
2. Peru - 50 K - direct counter to Soviet funding.
Ex: The Soviets took over the Peruvian Bank Workers Union (due to lack of Western funding). The Union now provides \$50 K monthly checkoff due to communist union leaders to support Peruvian Communist Party activity.
3. Grenada - 50 K - To the only organized opposition to the Marxist government of Maurice Bishop (The Seaman and Waterfront Workers Union). A supplemental 50 K to support free TV activity outside Grenada.
4. Nicaragua - \$750 K to support an array of independent trade union activity, agricultural cooperatives.
5. Central America labor publishing house and distribution center for printed materials - TV materials, cooperatives, land reform, etc. - to counter Marxist literature (\$500 K).
6. \$100 K fund for relief to democratic trade unionists forced to flee their homeland.

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SPECIAL PLANNING GROUP
(SPG)

INTL. INFORMATION
COMMITTEE (IIC)

Chairman:
USIA

INTL. POLITICAL
COMMITTEE (IPC)

Chairman:
STATE

INTL. BROADCASTING
COMMITTEE (IBC)

Chairman:
NSC

POLITICAL ACTION
COMMITTEE (PAC)

Chairman:
NSC