The AFL-CIO abroad:

By Ruth Needleman

The fascist coup which overthrew the progressive Chilian government of Salvador Allende on Sept. 11, 1973, was not solely the work of Chile's generals, acting on behalf of the reactionaries in their country. Recent exposures of top-secret hearings before a U.S. congressional committee document the involvement of the Central Intelligence Agency (CIA) and the Committee of 60, the U.S. government's top foreign policy body headed by Secretary of State Henry Kissinger. These exposures clearly showed the hand of the Nixon administration in its nearly three-year-long efforts to undermine Allende's Popular Unity government by secretly funnelling millions of dollars into Chile as bribes and cash payments for Allende's opposition. Those efforts finally culminated in the bloody Sept. 11 coup, which saw the massacre and imprisonment of thousands of people and the stripping away of all democratic rights, imposing fascism on the Chilean people.

Somewhat less well known, however, is the fact that the coup was also aided and abetted by the AFL-CIO, the U.S. labor federation.

Through the American Institute for Free Labor Development (AIFLD), an organization set up in 1962 by the federal government, multinational corporations and the AFL-CIO, federal funds and dues money paid by U.S. union members found its way into the hands of right-wing Chilean "trade unionists," who were instrumental in toppling the Allende government. Working in concert with the CIA, the AIFLD also helped "train" right-wing Chilean unionists in a special school set up by the institute in France.

The AIFLD's trainees later played significant roles in the truck owners' lockout and other employer-inspired strikes, economic harassment of the Popular Unity (UPI) regime which helped set the stage for the military coup.

How did this all come about and what is the common thread that linked the reactionary, anticommunist forces behind the AFL-CIO and Chilean fascism?

AFL-CIO's REAL ROLE

The fundamental objectives of AIFLD are reflected in its organizational and operational structure which functions on three levels. It was never just a labor educational institute, as it was advertised. Behind the educational institute is an intelligence-gathering agency. And hidden beneath it was the ever-deeper cover, a clandestine organization apparatus functions.

On the first level, AIFLD was to train Latin American labor leaders in class collaboration to win or buy support among key unions and key federations. On the second level, AIFLD was to train Latin American labor leaders in class collaboration to win or buy support among key unions and key federations. On the second level, AIFLD was to train Latin American labor leaders in class collaboration to win or buy support among key unions and key federations. On the second level, AIFLD was to train Latin American labor leaders in class collaboration to win or buy support among key unions and key federations. On the third level, AIFLD provides an institutional cover for the transfer of CIA and other intelligence operatives in and out of countries quickly and quietly.

When the institute began its operations, it first assembled a team of U.S. trade unionists. Many had Latin American experience through the Inter-American field offices of the International Trade Secretariat. They had contacts inside foreign labor movements as well as a U.S. trade union background.

Then, a second wave of AIFLD personnel began to function alongside the front-line trade unionists. For the most part, their backgrounds revealed no Latin American base. These people included a retired Navy captain, two Air Force colonels, a recruit from the Department of Defense, and a crew of aggressive individuals whose professional training came through the Office of Strategic Services, the Counter-Intelligence Corps and the CIA.

From 1970 to 1973 a number of Chilean trade unionists moved back and forth between Chile and the United States. Most came from strategically placed, right-wing unions. In 1972, at least six groups of Chilean trade unionists toured the United States, meeting with important AFL-CIO, AIFLD and International Trade Secretariat (ITS) leaders. The groups were made up of unions whose leadership consistently opposed Allende and played the money in the counter-revolutionary activities culminating in the Sept. 11 military coup.

FOOTING THE COST

AIFLD requires a substantial amount of funding. Currently, over 90 percent of AIFLD's budget is financed by the government's Agency for International Development (AID). AIFLD also has access to other funding sources. It has acquired a virtual monopoly over U.S. government and Alliance for Progress funds earmarked for labor in Latin America, Chile. The AIFLD budget for 1972 of $61.1 million, AIFLD collected $4.5 million. American Development Bank and even OAS funds in the form of grants, loans and credit flow into AIFLD coffers. Finally, the AFL-CIO pledges about 25 percent of its regular budget to international activities and has doled out generous loans to Chile, through its enormous pension fund.

Although it has dropped in recent years, AIFLD also receives financial support from private U.S. corporations. At present, large corporations provide about $17,500 a year.

AIFLD goes after corporate support and gets its from the largest multinationals with investments in Latin America.

The list of corporate contributors features W.R. Grace & Co., Rockefeller Brothers Fund, ITT, Kennecott Copper Corp., Crown Zellerbach, Anaconda Copper Co., First National City Bank, the Anglo-Lautaro Ni rate Co. and many others. According to a radio broadcast from Punta Del Este, Uruguay in 1967, "Harold Geneen, head of ITT, was so impressed with the philosophical sales talk for AIFLD by labor's George Meany, that he doubled ITT's contribution."

AIFLD's contribution to the business, needless to say, is by far the larger in this mutual aid relationship. AIFLD channels substantial amounts of money directly into pro-U.S. unions in Latin America. But AIFLD is known as an intermediary or conduit for transferring funds to right-wing unions and individuals. The transfer takes place, however, so that the money cannot be traced back easily to the U.S. government. To launder the money, AIFLD relies on ITS, which performs the tough job of allocating it among unions in Latin America. This operation is necessarily complex since it is performed to obfuscate the whole funding network.

The International Trade Secretariats are large, international labor federations.
organized along the lines of a specific trade or profession. Most national or international unions in the United States are affiliated to a corresponding ITF. The Communicative Workers of America (CWA), for example, belongs to the Postal, Telephone and Telegraph Workers International (PTTI), an ITF very active in Latin America, where the AFL-CIO plays an important administrative, educational and intelligence-gathering role. The Secretaries account for the principal activists and operatives in many Latin American trade unions. They can play this role more effectively than AFL-CIO leaders. For three basic reasons: they are international organizations, they are deeply imbued in the trade union structure; and, they have a long history of CIA connections.

The advantage of this international bagatelle is especially evident in the funding of Latin American unions since it makes it almost impossible to trace the flow of funds from the point of origin to the final destination. The financial circuit that carries U.S. government (AID) money to Latin American unionists centers around AIFLD and one or two U.S. unions affiliated to the ITF. The heart of the circuit is AIFLD's "Union-to-Union" program, which began in 1957 as the alternative to the CIA's use of dummy foundations to fund labor organizations.

The money flows through this system on the basis of sub-contracts. First, AID enters into a contract with a union. Then AIFLD subcontracts with one of its approved unions (AFL-CIO or one of its "affiliated:" according to a 1968 letter to AID from the AFL-CIO's director of the International Affairs Department, former Jay Lovestone and now Ernest Lee, an unions in Latin America, the money then goes to the ITF. In most cases, there is no way to distinguish the U.S. union from the ITF. Inter-American, finally, the money is allocated by the Inter-American Offices for "wherever necessity" in Latin America. Along the circuit, the money has lost its national, traceability and accountability. The ITF is not accountable to U.S. unions, national unions, or union members for the allocation of these funds and so the link tying donor to doee has been broken.

Behind the Chile coup

international department and directe of AFL-CIO's counterpart institute in Africa, O'Keeffe remains a staunch activist.

An audit of CIA's annual budget over the past three years shows that out of a total yearly net income of about $10 million, approximately half of that went to pay for international counter-revolutionary work, euphemistically listed in the budget as "international salaries and international expenses." Compared to CIA's strike funds during those years (between $200,000 and $700,000), the amount is notable.

In the Union-to-Union Program Report for 1973, RCJA lists two membership drives in Chile: one for CUPROCH and the other for the Confederation of Employes of Commerce and Industry (CCECI). Also, according to this report, RCJA-FIET intervened in support of right-wing unions during and after the October 1972 lockout. It provided strike assistance and then settlement support for the Confederation of Professional Mine Workers and the Bank Workers, as well as the CEC Industria and Commerce Workers.

The SEPTEMBER COUP AND AFTER

After years of plotting and preparation, the AFL-CIO, together with reactionary Chilean trade unions, helped provide strategic support to the right-wing offensive which brought down the UP government.

What, in fact, did these AFL-CIO agents win for Chile's working class? Besides the immediate massacre of an estimated 20,000 to 40,000 Chileans, the arrest, brutalization, torture, and execution of an additional 60,000 to 20,000, these labor reactionaries have helped boost to power the more ultra-right, archaic, military dictatorship in Chile's history.

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This article is excerpted from a much longer study by Ruth Needleman, an independent researcher.