

## **Congressional Closeup** by Barbara Dreyfuss and Susan Kokinda

### **New Hoover commission proposed in Senate**

Markup is complete in the Senate Governmental Affairs Committee on a proposal for a new "Hoover Commission." The original Hoover Commission examined federal policy-making and made major overhauls in the structure of the executive branch. The proposal was introduced in the Senate by Trilateral Commission member William Roth (R-Del.) and Sen. Tom Eagleton (D-Mo.). The major House sponsor is Rep. Richard Bolling (D-Mo.), whose many "reforms" of congressional structures have helped cripple constituency influence over Congress. Both House and Senate versions (H.R. 8 and S. 10) have bipartisan support; the House bill already has 101 cosponsors.

The commission would be composed of 18 members, six appointed by the President, six by the Speaker of the House, and six by the president pro-tem of the Senate. Senator Roth wants the commission to plan a far-ranging overhaul of federal-state-local government relations.

The person slated to oversee this plan for changing the constitutional system of U.S. government is former President Gerry Ford.

Last summer at the Republican national convention the Trilateral Commission attempted to make Gerry Ford a co-President through a Reagan-Ford ticket. One of the major responsibilities that co-President Ford was to have was the reorganization of the U.S. government. Unable then to get the Republican Party to accept such a

blatant junking of the Constitution, the Trilateral Commission is now strongly pushing Trilateral member Roth's bill.

Roth is hoping that the proposal will actually pass the Senate before the August recess. House action is expected to follow soon after.

### **Lifting of state usury ceilings proposed**

Senator Richard Lugar (R-Ind.) introduced the Credit Deregulation and Availability Act of 1981 on June 20 in an effort to eliminate state ceilings on interest rates charged to consumers. Joining Lugar as cosponsors were Senate Banking Committee Chairman Jake Garn (R-Utah), and Senators William Proxmire (R-Wisc.) and Alfonse D'Amato (R-N.Y.).

The bill, S. 1406, is actually an amendment to the Depository Institutions Deregulation and Monetary Control Act of 1980. Lugar's proposal would completely preempt all state usury ceilings on consumer credit and eliminate the federal ceiling that controls the rate of interest that can be charged by federal credit unions have the right, if they act within three years of the bill, to reject the federal preemption.

In introducing the bill Lugar and Garn both claimed to be concerned about the lack of available credit for industry and agriculture and stated that their bill would make it profitable for banks to lend to consumers and make it easier for these banks to attract funds themselves. Instead of forc-

ing the Federal Reserve to lower interest rates, thus freeing up capital for the savings banks, these senators are proposing sky-high interest rates as the answer to the credit crunch.

The bill has been referred to the Senate Banking Committee, and the Financial Institutions Subcommittee is holding hearings on the measure July 9 and 15.

### **Global 2000 advocate attacks Secretary Watt**

The leading congressional supporter of the depopulation doctrine of the *Global 2000 Report*, Rep. Richard Ottinger (D-N.Y.), has vociferously joined the zero-growthers' campaign against Interior Secretary James Watt.

In a June 10 statement, Ottinger called on other members of Congress to join with him and the Friends of the Earth in signing a petition calling for the dismissal of Watt. In extraordinarily harsh language for the House floor, Ottinger declared, "He [Watt] has already done irreparable damage—he must be stopped. Secretary Watt has little regard for our precious environmental resources. He does not see the exploitation of our air, water, and land for monetary gain as an injustice."

Ottinger includes in his statement a Sierra Club indictment of Watt, which includes much hand-wringing for the fate of the caribou and other wildlife. The depopulation doctrines which Ottinger supports, if implemented, would mean the death of 2 billion human beings by the year 2000.

## Hearing on Libya skirts major issue

Participants in a Senate Foreign Relations Committee hearing on Libya danced around the central issue involving Libya—Libya's role in deploying left and right terrorists on behalf of the Propaganda 2 Masonic lodge in Italy. The July 8 hearing was held jointly by the Subcommittee on Africa, and the Subcommittee on the Middle East, chaired respectively by Senators Nancy Kassebaum (R-Kans.) and Rudy Boschwitz (R-Minn.). Testifying for the administration was Assistant Secretary of State for Africa Chester Crocker. The hearing was called to review Libya's relations with the United States and its role in Africa, the Mideast and world affairs.

Crocker's statement focused on Libya's interventionist role in Africa and its support for international terrorism, singling out the Soviet Union as the major international supporter of Libya's activities. Crocker said, "Libya and the Soviet Union share many common goals in Africa in what might be called a 'marriage of conveniences.'"

But when Kassebaum asked Crocker which NATO countries supply arms to Libya, Crocker had a sudden lapse of memory and had to be reminded that Italy remained a supplier of arms to Colonel Qaddafi. However, that line of questioning went no further and ignored the Propaganda 2 (P-2) scandal which has brought down a government in Italy and has revealed P-2's role in deploying and funding both left- and right-wing

terrorists, often through Libya. Both the P-2 lodge and Libya have been implicated in the recent attempted assassination of Pope John Paul II.

Crocker is a protégé of Henry Kissinger, one of the Americans accused of direct ties to P-2.

## Senate group issues mixed Mideast report

A delegation of senators who visited the Middle East during April has issued a report on the trip with two rather divergent assessments of U.S.-Saudi relations, representing the views of the two delegations—one led by Senate Majority Leader Howard Baker (R-Tenn.) and including Senators Baucus (D-Mont.), Boren (D-Okla.), Pryor (D-Ark.), Garn (R-Utah), and Simpson (R-Wyo.) and one led by Sen. James McClure (R-Idaho) and including Sen. Mark Hatfield (R-Ore.). The two delegations met in Saudi Arabia and then went their separate ways.

The Saudi trips occurred only days after Secretary of State Haig left Saudi Arabia after an official visit. The Baker-dominated portion of the report appears to be a carefully written justification for Haig's assessment and policy goals, especially including a U.S. military presence. The Baker report states, "It was noted that Saudi Arabia 'does not object' to [base] agreements with other countries, and, said another, an American presence is welcome in the area." The report added the delegation's perception that the Haig

visit "encouraged" the Saudis and that the Saudis may be softening on such things as relations with Egypt and the threat posed by Israel to the region.

That slant is not surprising since Baker and his delegation ended up in Saudi Arabia on orders from Haig, according to sources. Originally, McClure and Hatfield, who are both distinguished by a rational approach to Arab realities and who have both been outspoken about Israeli adventurism, were scheduled to visit Saudi Arabia on their own. Haig apparently did not want McClure and Hatfield undercutting his just-completed Saudi trip and urged the Baker delegation to join McClure and Hatfield in Saudi Arabia.

Baker, as Senate Majority leader, was hence the leader of the joint delegation.

The McClure-Hatfield section of the report stressed that "they [the Saudis] are firmly committed, however, to protecting themselves from external and internal threats and, while believing that close ties with the United States are in their best interests presently, will be forced to reevaluate their foreign relations if their survival becomes in jeopardy. Resolution of the Palestinian problem is, in their opinion, a matter involving their survival."

Senator Boren of Oklahoma, a member of the Baker delegation, added his view that "I did not feel that the officials of the government of Saudi Arabia indicated any degree of positive reaction to the presence of American facilities anywhere within the region."