

Congressional Closeup by Barbara Dreyfuss and Susan Kokinda

Symms offers amendment on Monroe Doctrine

The Senate may have an early chance to vote on the questions raised by the Monroe Doctrine upon its return from Easter recess. Sen. Steve Symms (R-Id.) has two amendments pending to another piece of legislation which calls on the United States to invoke both the Monroe Doctrine and the Rio Treaty of 1947 with regard to the Soviet presence in Cuba. Co-sponsored by 19 other mostly conservative Republicans, the amendment (to a resolution concerning television broadcasting of Senate proceedings) resolves that "the United States is determined to prevent by whatever means may be necessary, including the use of arms, the Marxist-Leninist regime in Cuba from extending, by force or the threat of force, its aggressive or subversive activities to any part of this hemisphere."

Senator Jesse Helms (R-N.C.), chairman of the Senate Foreign Relations Subcommittee on the Western Hemisphere, announced on April 7 his support for Argentinian sovereignty over the Malvinas (Falkland) Islands (see National News).

Outside of Helms's statement on behalf of Argentinian sovereignty, however, none of the other cosponsors of the Symms amendment has seen the need to apply the Monroe Doctrine to the British threat to the Western Hemisphere. Among those cosponsors are Malcolm Wallop (R-Wy.), a fifth cousin to the Queen of England whose staff evinced no knowledge of the

Senator's position on the British-Argentine conflict. Another Senator's legislative assistant whose knowledge of American history seems to extend back as far as 1981 remarked that he thought the Monroe Doctrine would not apply in this instance, "because Britain is simply retaking a colony."

Mortgaging the U.S. to foreign speculators

Senator Lloyd Bentsen (D-Tex.), with the support of the Senate Democratic Conference and Sen. Malcolm Wallop (R-Wy.), has introduced legislation which would open up the U.S. residential real estate market to foreign pension funds.

According to Bentsen, in his April 1 floor statement accompanying S.2345 (the Residential Housing Financing and Investment Act), the bill "would allow foreign pension plans to provide funds for residential U.S. real estate without the imposition of U.S. taxes on the income and gains earned by the plans." The Bentsen proposal fits into the overall transformation of the United States from an industrial-agricultural economy in which residential housing was serviced by companion thrift institutions, into a rentier-financier economy controlled by international financial forces (see Economics).

Bentsen cites as two prime sources for investment in the United States the foreign pension funds of the United Kingdom and the Netherlands, both of whose

economies and pension funds are controlled by rentier-oligarchical families. To facilitate the financiers' takeover of U.S. residential real estate, S.2345 also establishes provisions whereby U.S. life-insurance companies, traditionally the conduit of such international "family funds," can compete with banks in making housing investments for foreign pension plans.

Bentsen's only Republican cosponsor, Wallop, took the floor on April 1 to not only praise the Bentsen initiative, but to point out that he and Sen. Patrick Moynihan (D-N.Y.) had introduced a more comprehensive piece of legislation, S.502, in 1981, which does not limit foreign pension funds to housing but would open up a broader sphere of investment opportunities including stocks and bonds. Wallop notes that "there are literally hundreds of billions of dollars in foreign pension trusts, with little of that amount being invested in the United States . . . it is a very genuine opportunity to bring new capital into this country for not only residential housing, but a myriad of other investment opportunities."

Kennedy attacks independent Fed

Senator Edward Kennedy (D-Mass.) attacked the independence of the Federal Reserve and hinted that he would introduce legislation into Congress to deal with it.

Speaking before the legislative conference of the AFL-CIO Building Trades Department in Wash-

ington on April 6, Kennedy declared that there must be congressional action "to restrain the Fed." He proposed that the Fed "be placed under the Treasury Department, where it belongs" and also said that he supported legislation to make the term of the Fed chairman coterminous with presidential terms.

Kennedy made sure to tar President Reagan with Paul Volcker's high interest-rate policies. Declaring these policies intolerable, the would-be 1984 presidential candidate said that although Volcker was appointed by Jimmy Carter, "he is only doing the Reagan administration's dirty work. . . . He is following their strategy of savaging the housing industry to save the Reagan tax cut. . . ."

Since it is unlikely that the President will take action to reduce interest rates, Kennedy stated, it will probably become necessary to introduce legislation to allocate credit to "suffering" industries, "diverting it away from corporate mergers." The proposal for credit controls, which Kennedy has floated several times in recent months, is supported by Lane Kirkland and the AFL-CIO Executive Council, whose representatives have been meeting with Volcker to discuss the idea.

Provided that opposition from President Reagan is overcome, Volcker reportedly has no opposition to the scheme since it would not significantly increase overall available credit.

Kennedy's office reported that the Senator was responding to pressure from constituents in an

election year "who are demanding that something be done about those high interest rates." But Kennedy has no plans for quick action. His aides report that any legislation challenging the independence of the Fed is "still quite a while off." If Kennedy do move on anything, the aides say, it will be on the credit controls.

Asked why the Senator feels that special legislation is required to deal with the "independence of the Fed" when existing law already makes it clear that the Fed is not independent, but under the control of Congress, the aides would only reply: "We must emphasize that the Fed is carrying out President Reagan's policies. . . . Reagan is the real problem."

Hawkins bill would make schools 'drug-free zones'

Senator Paula Hawkins (R-Fla.) introduced legislation on March 23 which would make it a federal criminal offense to distribute controlled substances within 1,000 feet of a school. Cosponsored by Senate Judiciary Committee Chairman Strom Thurmond (R-S.C.) and Sens. Dennis DeConcini (D-Ariz.), Harrison Schmitt (R-N.M.), Joseph Biden (D-Del.), Mark Andrews (R-N.D.), and James Abdnor (R-S.D.), the Drug Distribution Deterrence Act (S.2263) would change the federal criminal code so that first offenders would receive twice the current punishment for the commission of this crime in areas not adjacent to a school, and second offenders

would receive a *mandatory* sentence of not less than three years.

S.2263 grew out of an investigation conducted by Hawkins's Investigations Subcommittee (of the Senate Labor and Human Relations Committee), and culminating in a Jan. 27 hearing. Referring to the investigation, Hawkins said in her March 23 floor statement that "All the witnesses interviewed—including school counselors, juvenile justice judges, and other experts—believe that threatening pushers who approach our children near schools with stiff penalties will help reduce drug use in schools." The Jan. 27 hearing also heard from five young people who are undergoing drug rehabilitation and who testified to the ease with which children—some as young as 11—can get marijuana, PCP, quaaludes, and LSD around schools.

A spokesman for Hawkins added that the Senator does not view her legislation as a panacea for the drug problem, but hopes that it would be a first step in restoring the nation's schools as a "sanctuary" against drugs.

The legislation has been referred to the Criminal Laws Subcommittee of the Senate Judiciary Committee. Subcommittee Chairman Charles Mathias (R-Md.) has not cosponsored the legislation and no subcommittee action on the legislation is currently scheduled. Rather than pursuing the cumbersome process of moving the bill through the Senate Judiciary Committee, however, Hawkins may seek to attach it as a rider to an appropriate piece of legislation in the future.