

Congressional Closeup by Barbara Dreyfuss and Susan Kokinda

Defense debate continues in Senate

A representative of the National Democratic Policy Committee, testifying June 9, told the Senate Defense Appropriations Subcommittee that "two opposing strategic doctrines confront the United States. One is the LaRouche proposal to pivot our military-strategic policy around the concept of war-avoidance, based on the development and deployment of space-based particle-beam systems [to knock out ICBMs], and on a policy of stabilizing the world through technology-vectored economic development." The LaRouche reference was to the political action committee's advisory board chairman.

"The opposing policy of the Anglo-American elite," the spokesman continued, "asserts that the military threats of the 1980s arise from population and resource pressures below the Tropic of Cancer, and that Western military capabilities must be geared toward conventional 'depopulation' wars." The witness pointed to Defense Secretary Weinberger's June 4 confirmation that the British war in the South Atlantic is the first attempt to carry out this policy, and then—to the surprise of subcommittee chairman Ted Stevens (R-Alaska) and Jake Garn (R-Utah)—asserted that the "nuclear freeze" and "no-first-use" movements were designed to give NATO a free hand for this kind of conventional warfare.

In a report to the Senate Armed Services Committee released on May 13, Sen. Sam Nunn (D-Ga.) had confirmed the accuracy of the NDPC's charges. Entitled "Can the Alliance Be Saved?", the report

is based on Nunn's January trip to various NATO countries. It recommends that "the Alliance dedicate its maximum effort to building a credible conventional defense and an improved and more sensible nuclear deterrent." Nunn then endorsed the "no first use of nuclear weapons" proposal put forward most substantially by population control advocates McGeorge Bundy and Robert McNamara in the Spring issue of *Foreign Affairs*, with the single exception of insisting on a NATO conventional buildup prior to discussions with the Soviets on "no first use."

Immigration bill passes Senate committee

A bill which would make it illegal for the first time to hire undocumented foreign workers passed the Senate Judiciary Committee May 27. It is expected on the Senate floor by the third or fourth week in June. Dubbed the Immigration Reform and Control Act, it was introduced by Sen. Alan Simpson (R-Wyo.), and passed the committee 16 to 1. An escalating system of fines and punishment for employers who "knowingly" hire such workers would be imposed.

As originally introduced by Simpson, the bill mandated a three-year study on establishing "a universal employment verification system" and was widely viewed as an effort to set up a system of worker I.D. cards. Aides to Simpson said he "shuddered at the word 'card,'" and tried to avoid mention of it because it evokes images of a police state.

After the committee changed the bill, work cards are not mandated if the administration decides

that the current Social Security system is adequate proof of legal work status. A study would still be commissioned.

In an attempt to defuse protest, the bill exempts from oversight by the legislation those undocumented workers currently in the United States who entered prior to January 1982. Simpson had originally granted this exemption to those in the country before 1980.

Similar legislation was introduced in the House by Romano Mazzoli (D-Ky.). It is expected to pass the Judiciary Committee soon.

House leader demands Volcker's ouster

House Majority Leader Jim Wright (D-Tex.) demanded that Paul Volcker be fired and his job taken by "somebody more responsive to the needs of the economy and of the people and of small business," during a meeting with reporters June 8. "What President Reagan has sought has been set at naught by the Federal Reserve which was elected by nobody and is responsible to nobody," he declared. "I've tried eight times to talk to Volcker to get him to understand some of the hurt the Federal Reserve's monetary policies have caused, and I've gotten nowhere. If I were President, I would ask for his resignation and get somebody more responsive to the needs of the economy and of the people and of small business. . . . I would see at least that the administration's fiscal policy and monetary policy worked in tandem. . . ."

Some months ago Wright had called for a bipartisan economic summit to be presided over by

President Reagan, in order to give the president a chance to reassert control over economic policy, particularly with respect to bringing interest rates down. At the time, Wright's initiative was shoved aside by Rep. Tip O'Neill and other Democratic protectors of Volcker, who want to let the economy collapse, bringing down Ronald Reagan and the U.S. presidency with it.

At the press conference Wright asserted that there is no "economic justification, and never has been, for interest rates staying up at the level they have been for the last 18 months. . . . The prime rate used to hover about two points above the inflation rate, but for the last year and a half . . . it has hovered about 14 points above the rate of inflation.

"What we're seeing is a redistribution of wealth and power upward, a concentration of wealth in fewer and fewer hands—and that's counter to the thrust of American history."

Informed congressional sources say that Wright has renewed his campaign in order to give the President and the country a way out of the disaster which will befall the country if the Volcker policy remains in effect. So far, there has been no indication that the President is willing to seize the opportunity Wright has offered.

With friends like these, who needs. . . ?

John Heinz (R-Pa.) introduced a bill to restructure the Export-Import Bank on the Senate floor on May 27. The Export-Import Bank Restructuring Act of 1982, S.2600,

is co-sponsored by Senate Banking Committee Chairman Jake Garn and nine other Senators, including Democrats Alan Cranston (Calif.) and Alan Dixon (Ill.). Under the guise of strengthening the Eximbank against the budget-cutting depredations of OMB Director Stockman, the legislation in reality represents a major retooling of the bank as a weapon of trade war.

The ketchup heir's proposal has three components. First, it would provide the Exim board of directors with fixed four-year terms. At present, the Board of Directors serve at the pleasure of the President, and Heinz charges that the current Board, rather than independently defending the mission of Eximbank, has been complicit in administration efforts to eventually eliminate the bank. Second, the bill takes the Eximbank off-budget (where it was prior to 1976), since the Bank pays back to the government all money loaned out, and hence, Bank financing should not be considered a budget expenditure. Third, Heinz resurrects a proposal for establishing a "Competitive Agricultural Commodity and Manufactured Product Export Subsidy Fund" at the bank which would give the bank a \$2 billion war chest by which to conduct trade war against Western Europe and Japan.

The last provision underscores the actual intent of the Heinz reorganization. While the bill's supporters are concerned that the "accountants" in the administration do not understand the value of Eximbank as a weapon of trade war against those countries who refuse to sacrifice their economies to the dictates of the "free market," the ultimate aim of both orientations is the same. As Heinz

confirmed in his floor statement introducing S.2600, "the purpose of this section [the Export Subsidy Fund] of the bill is to bring about meaningful negotiations for the reduction and eventual elimination of all forms of official export credit and extravagant agricultural export subsidization."

Heinz's defense of the Eximbank came simultaneously with a proposal by Sen. Jesse Helms (R-N.C.) that the institution be phased out entirely.

Conservation corps backed in House

The House endorsed a proposal June 9 to establish a youth conservation corps. The legislation, introduced by John Seiberling (D-Ohio), H.R.4861, won support in a 291-102 vote.

A corps modeled on the Great Depression program would put unemployed youth to work at pick-and-shovel jobs for nominal wages. The bill specifies that the work must be "labor-intensive."

Similar legislation was introduced into the Senate by Daniel Moynihan (D-N.Y.), well known for his proposal that poor minorities be blessed with federal "benign neglect." In introducing his bill, Moynihan said openly that it was modeled on the 1930s program, and that "the work will be hard and the pay will be low." Explicitly targeted at minority youth, the bill anticipates an enrollment of about 100,000.

It was a heavy Democratic vote that pushed the bill through the House. Little support for moving the bill onto the floor is expected from the GOP-controlled Senate.