

## Congressional Closeup by Ronald Kokinda and Susan Kokinda

### Conservatives attack Reagan's SALT II decision

Conservative senators, in a flurry of activity surrounding the President's June 10 address to Congress, expressed disappointment over his announcement that he would comply with the never-ratified SALT II treaty and urged that the administration make public new information about Soviet superiority and continued arms-control violations.

Most outspoken was Sen. Steve Symms (R-Id.), who called the decision one of "unilateral disarmament and appeasement" and "harkens back to the time Neville Chamberlain knuckled under to Adolf Hitler. I think the Soviets are popping the corks on the vodka bottles tonight."

Senator Phil Gramm (R-Tex.), referring to the President's stated intent to go the extra mile to maintain the SALT treaty, warned, "We don't want the extra mile to turn into a marathon." Gramm was part of a group of conservative senators who met with President Reagan on June 12 to express their concern over the dismantling of the Poseidon and Soviet violations of the SALT II treaty.

The informal group was led by Sen. James A. McClure (R-Id.), who has taken a leading role in urging the administration to bring Soviet arms control violations to light. Several days earlier, McClure, and Sens. Jesse Helms and John East (R-N.C.) had written a letter to the President urging him to release to the public as much as possible from a recently completed National Intelligence Estimate (NIE), which states that the Soviets do have strategic superiority. The new NIE apparently reports that the Soviets are deploying 200 mobile SS-25 ICBMs

and 100 large SS-24s, and that the Soviets have possibly increased the number of warheads on the SS-18s from 10 to 14. This accounts for an increase of 2,000 nuclear warheads over figures released in April by the Pentagon.

McClure and Symms were pushing for joint, classified hearings by the Senate Armed Services Committee and the Senate Appropriations Defense Subcommittee so that senators could be officially briefed on the NIE.

In a related development, McClure secured unanimous Senate support for a resolution mandating the Defense Department to report to the Congress on the "direct and indirect military consequences and effects of all Soviet violations of all arms-control treaties."

### Senators receive awards: 'Certificates of Patriotism'

Thirteen Republicans and one Democrat in the U.S. Senate were awarded "Certificates of Patriotism" for "courageous service to the nation's defense, its citizens, and posterity in these times that try men's souls," by the National Democratic Policy Committee on June 12. Many of the awards were personally delivered to the senators' Washington offices by delegations of NDPC members, representing the 1,000 NDPC citizen lobbyists who came to Capitol Hill on June 12. The purpose of the NDPC lobbying effort was to inform the largely corrupt or frightened Congress that Americans will not tolerate congressional actions which "sell the United States into Russian slavery."

Those who were singled out to receive certificates for their opposition

to this widespread capitulation included Sens. Jake Garn (R-Utah), Steve Symms (R-Id.), Jesse Helms (R-N.C.), Pete Wilson (R-Calif.), Malcolm Wallop (R-Wy.), Gordon Humphrey (R-N.H.), James McClure (R-Id.), Thad Cochran (R-Miss.), and Ernest Hollings (D-S.C.).

### House moves toward interstate banking

The House Banking Committee took a major step toward wholesale banking deregulation with the June 13 passage of H.R. 2707, a bill that would phase in interstate banking within the next five years. This bill can be seen as the blueprint for the "post-crash" restructuring of U.S. banking. The *Congressional Monitor*, a Washington, D.C. newsletter, reported on Jan. 14 that the legislation would not have gone through as easily as it did without the full support of Federal Reserve Chairman Paul Volcker. The vote was 31 to 18.

The bill will lift the ban on interstate banking, thus ending the protection which small, local, and regional banks have had against absorption by major New York or California banks. Some states have allowed for "regional" banking as a way of allowing interstate banking among states contiguous to them, yet still keeping the major money center banks out. Under the provisions of the bill, any state which allows regional banking in 1990 will, by federal law, be triggered into allowing nationwide banking.

Opposition came from those such as Rep. Buddy Roemer (D-La.), who argued that "BankAmerica could buy every bank in my state and still not hit

the ceiling" in the bill which is supposed to prevent the creation of megabanks. Others voting against the bill included Democrats Frank Annunzio (Ill.), Carroll Hubbard (Ky.), Doug Barnard (Ga.), Mary Rose Oaker, and Marcy Kaptur (Oh.), and Republicans Stan Parris (Va.), Bill McCollum (Fla.), Doug Bereuter (Neb.) and Steve Bartlett (Tex.).

Senate Banking Committee Chairman Jake Garn has stated that he opposes the "triggering" mechanism put into place by the St Germain bill, but does support nationwide banking. Thus, the stage is set for another Garn-St Germain dog-and-pony show on banking deregulation, which usually ends in a bill which does the most damage possible to the nation's banking industry.

## House eliminates 31 water projects

The assault against America's infrastructure, vital to future real economic growth, advanced yet another step when the House on June 6 eliminated \$99 million from a \$150 million water-projects appropriations measure. That action, which took place by a narrow 203 to 202 vote, cut 31 out of 62 water projects from the FY 1985 supplemental appropriations bill.

Lead by Rep. Bob Edgar (D-Pa.), an environmentalist foe of water projects who has been joined by "free enterprise" Republicans in his attack on U.S. infrastructure, opponents of the water projects convinced the House that money could not be appropriated for those projects because they had not yet been authorized.

House Appropriations Committee

Chairman Jamie Whitten (D-Miss.), a long-time supporter of infrastructure development, had apparently been attempting to circumvent the authorization process, in an effort to avoid crippling new provisions being pushed by the administration and the authorizing committee. The administration, led by OMB Director David Stockman, has insisted that new water projects authorized by the Congress must carry onerous cost-sharing and user-fee provisions.

These would force local communities and actual users to bear part of the costs of construction on projects which are, as *EIR* has documented (see, for example, July 24, 1984, "The Tennessee-Tombigbee: Revolutionizing America's Commerce") of major benefit to the entire nation's economy. Such policies have the effect of penalizing, and eventually destroying, the productive sectors of the U.S. economy.

## Aid to anti-communists consistent with 'New Yalta'

The Congress took two steps to aid anti-communist forces in southern Africa and Nicaragua in mid-June, but both actions are consistent with the "New Yalta" deal that certain political forces in the West have made with Moscow.

On June 12, the House reversed itself and approved \$27 million in nonmilitary aid to the Contras fighting the Soviet-backed Nicaraguan government, by a wide margin of 248 to 184. House Foreign Affairs Committee Chairman Rep. Dante Fascell (D-Fla.), the key House supporter of the AFL-CIO's "Project Democracy,"

strongly backed the administration. The House also rejected 232 to 196 an amendment by Rep. Edward Boland (D-Mass.) that would have continued the ban on CIA funding for military operations in Nicaragua. The current ban ends on Oct. 1.

The reversal of the House position in April, which banned any aid to the Contras, was chiefly due to Nicaraguan leader Daniel Ortega's trip to Moscow immediately after the April vote, and the tremendous investment of political capital by the Reagan White House to secure the aid. The administration promised that agencies other than the CIA and the Department of Defense would distribute the aid, and, according to Rep. Dave McCurdy (D-Okla.), Reagan promised that no U.S. troops would be used in Nicaragua.

The "New Yalta" orientation of the U.S. focus on Nicaragua was indicated by the backing for the aid by the Carnegie Endowment for World Peace, one of the key back-channels for the Eastern Establishment's dealing with Moscow. Associate Dean Robert Leiken said that only such backing could provide a check against Nicaraguan expansionism.

In the same week, the Senate repealed the Clark amendment which had halted U.S. aid to forces battling the Soviet/Cuban-backed Angolan government during the 1970s, by a voice vote. Sen. Steve Symms (R-Id.), who sponsored the Clark repeal, claimed that eliminating the amendment would send the Soviet Union the message that the United States "can and will recognize democratic forces who are seeking to overthrow the yoke of communist tyranny." But the House is considered unlikely to accept the Clark amendment repeal.