

## Congressional Closeup by William Jones

### Will House impeach Florida judge?

The House Judiciary Committee voted 17 articles of impeachment on July 28 against U.S. District Judge Alcee L. Hastings, Florida's first black federal judge, stemming from charges that he conspired with a Washington lawyer to accept a bribe. The 32-1 vote sent the case to the full House, which will decide whether to seek a Senate trial that could lead to Judge Hastings's removal from his lifetime post.

Hastings is alleged to have 1) conspired with lawyer William Borders in 1981 to get a \$150,000 bribe from two defendants who appeared before the judge; 2)

jurisdiction that tried him; and 3) information about a secret FBI wiretap he was supervising. Borders was convicted, served 33 months in prison, paid a 435,000 fine, and was disbarred.

Hastings was acquitted of the bribery charges, although a separate investigation by the Judicial Council of the U.S. Court of Appeals for the 11th Circuit, which covers Florida, kept the allegations alive and eventually led to the House subcommittee inquiry.

Most of the committee members said that they were convinced by the evidence, although Democratic Representatives Larry Smith of Florida and George Crockett of Michigan say they were afraid that racism could be a factor. Terence Anderson, one of Judge Hastings's lawyers, said after the hearing that he was not surprised by the vote, but was confident the Senate would give the judge a second acquittal.

The only vote not to recommend impeachment came from Representative Smith, a friend of Hastings, who will request trial before the full Senate

rather than a special committee, because he thinks the record contains "too many unique and special circumstances that can't be explained away by coincidence."

Representative Crockett voted for bringing Hastings to an impeachment only on the basis of the conspiracy charge.

### Humphrey: Meese was hounded from office

Sen. Gordon Humphrey (R-N.H.) praised Attorney General Edwin Meese on the Senate floor on July 14. "The attorney general's most rabid critics on the left have mixed feelings," he said. "They are delighted to be rid of a determined and forceful champion of tough law enforcement and judicial restraint. They are able to claim another scalp to add to those of Richard Allen, Jim Watt, Ray Donovan and others—loyal champions of the President's agenda who have been hounded from office by partisan charges that the truth could never catch up with. . . ."

"Make no mistake: Ed Meese was targeted for destruction by his political enemies from the moment his name surfaced as a likely attorney general."

### Contra aid debate: Which way will Bentsen go?

Sen. Robert Dole (R-Kan.) posed a new \$47 million aid package to the Contra leaders. Dole intends to attach the measure to a military spending bill expected to be considered in the Senate during the first week in August.

In spite of the truce signed be-

tween the Contras and the Sandinistas, the Sandinistas have recently begun a crackdown on all opposition forces in Nicaragua, thus violating the terms of the truce. The Sandinistas closed the opposition paper *La Prensa* for a period of 15 days, and have ordered the Roman Catholic radio station and the radio news program "El Despertar" off the air indefinitely. The Sandinistas also recently expelled the American ambassador to Nicaragua, Richard Melton.

The stage is now set for a new congressional battle over Contra aid. Sen. Lloyd Bentsen (D-Tex.), Michael Dukakis's running mate, has been a supporter of Contra aid, although Dukakis is opposed to it. The big question in the new Contra debate is whether Bentsen will vote according to his own beliefs, or adhere to the program of his running mate. If he votes for Contra aid, what kind of foreign policy will a Dukakis-Bentsen government have?

### Glass-Steagall 'firewall' weakened by dereg bill

After a marathon day-long session which was concluded early in the morning of July 23, in a 30-20 vote, the House Banking Committee voted onto the floor a partial banking deregulation bill. The various interested parties were lined up, trying to make their voices heard. The bill, a compromise among the contending parties, blurs the limits between the banking and the securities industry, thus threatening to bring commercial banking into the volatile securities markets.

The Glass-Steagall Act, which built a "firewall" between commercial

banking and the stock markets after the Crash of 1929, has been criticized by bankers who want to move into the lucrative securities sector.

The Senate has already passed a bill, authored by Sen. William Proxmire (D-Wis.), which would basically abolish Glass-Steagall. More resistance has been shown by the House Banking Committee under Rep. Ferdinand St Germain (D-R.I.), where there is concern for the long-term economic consequences if Glass-Steagall were undermined.

The House banking bill would allow commercial banks to sell and underwrite commercial paper, mortgage-backed securities, municipal revenue bonds, and securities backed by consumer debt, such as auto loans. As a concession to the securities industry, the securities affiliate of the bank would not be allowed to use the bank's name or logotype in advertising, and securities could not be sold on the bank's premises. Banking companies would not be allowed to enter the new areas of underwriting until they met the 8% capital requirement set by the Federal Reserve Board in an agreement with the central banks of 12 other nations. This would prevent the nation's largest money-center banks from entering the securities field.

During the hearings, all the interested parties were parked in and around the committee room. The securities industry was there, trying to protect its turf from the encroachments of the commercial banks. The banking sector had their lobbyists everywhere, trying to prevent what they considered unwarranted restrictions on their underwriting of securities. The insurance sector won a partial victory by preventing banks from underwriting insurance or serving as insurance brokers.

Although the agreement reached is of a very tenuous nature, it will have to go to a full House vote and then to conference committee, where it will be reconciled with the Senate banking bill before it will be sent to the President. Few congressional aides believe that Congress has enough time to bring the bill up for a vote during this session of Congress.

## **G**reenies against 'greenhouse effect'

Two major environmental protection bills were introduced in the Senate on July 28, with the ostensible purpose of limiting the so-called "greenhouse effect," in which increased carbon dioxide in the atmosphere is alleged to have caused a generalized global warming.

The more extreme of the two bills, introduced by Sen. Robert Stafford (R-Vt.), would require a 50% cut in carbon dioxide emission by the year 2000. Cars would have to cut carbon dioxide emissions in half; power plants would have to cut their use of fossil fuels in half; significant cuts in the use of home furnaces would also be mandated.

A similar bill by Sen. Timothy Wirth (D-Colo.) would require a 20% cut in carbon dioxide by the year 2000. The Wirth measure calls for a "Least-Cost National Energy Plan" to be devised by the government to conserve fossil fuels and tap "renewable" energy sources, such as wind, solar, geothermal and hydroelectric power; a \$450 million program over three years to research and develop renewable sources; and an energy conservation plan to cut energy use by 2-4% annually.

The Wirth bill may be hard to swallow for many environmentalists, as it would also allocate \$500 million

to research, develop, and demonstrate technologies for new, safe, cost-efficient nuclear reactors. The Wirth proposal has 15 senators cosponsoring it.

Since the bill will trample on the toes of so many interest groups, even the sponsors themselves do not believe that they will achieve anything more this session than holding hearings on the bill. The most strenuous opposition to the legislation is expected from the utility and automobile industries.

## **S**enate votes to cut grants for inner-cities

On July 14, the Senate voted 86-11 to approve \$59.06 billion in fiscal 1989 appropriations for the Department of Housing and Urban Development and 16 independent agencies.

The vote included cutting off Urban Development Action Grants (UDAG), a controversial program created in 1977 during the Carter administration. Sen. William Proxmire (D-Wis.), author of the 1977 legislation, now voted against the program, as he says, "Because we simply cannot afford to spend."

The National League of Cities is concerned that the cuts will seriously impair necessary inner-city programs. "Each federal dollar has been repaid over and over in taxes collected, in jobs created, and in helping to attract other investment, redevelopment, jobs and tax-base growth to blighted urban areas," the league said.

U.S. Conference of Mayors President Arthur Holland, mayor of Trenton, New Jersey, said that although most cities are coming back economically, "it's still touch-and-go, and you don't give up a program that helps us go."