

Congressional Closeup by William Jones

House fears taxpayers but passes new bailout

The House voted on March 15 to give the Resolution Trust Corp. an additional \$78 billion in funds to bail out the S&Ls in order to carry the RTC through September. This is the second round of the bailout which has already cost \$167 billion, excluding interest. The day before, the House had voted against allocating the additional funds, but, lacking any alternative policy, they agreed to the additional funding.

There was concern manifested that they were pouring money into a big black hole—payment for sins previously committed. “We’re about to pour \$30 billion down a rat hole,” commented Rep. Maxine Waters (D-Calif.). “This is an extraordinarily unpleasant and difficult area of legislation,” said House Speaker Tom Foley (D-Wash.). “Members do not want to vote for this bill. They want someone else to vote for it.”

Dems start probe of Bush’s pre-war policy

While George Bush basks in his Gulf war “victory,” which he hopes will carry him through the 1992 presidential election, congressional committees have begun examining his pre-war policy. The hearings may fizzle, but they have the longer-term potential to expose Bush’s setup of Iraq and insistence on war, and tarnish Bush’s image.

The Senate Foreign Relations Committee, after threats to use a subpoena, finally got the White House to allow former U.S. Ambassador to Iraq April Glaspie to testify on March 20. Glaspie claimed that the taped transcript of her discussions with Saddam Hussein shortly before the war,

where she had told Saddam that the U.S. would view a conflict between Iraq and Kuwait as an Arab affair, was misleading. In response to a request by committee chairman Sen. Claiborne Pell (D-R.I.) that she release her record of the meeting (the Iraqis have publicly released the tape), Glaspie refused.

Glaspie was obviously under heavy administration pressure, and Secretary of State James Baker III was observed on the same floor of the Senate office building. But she did indicate some of the background to the leadup to the war, including the fact that Iraq was concerned by the U.S. arming of Iran exposed during the Iran-Contra affair, and the economic warfare by Kuwait and the United Arab Emirates in driving down the price of oil. Saddam Hussein “was broke,” said Glaspie. “The oil price in February was \$20 a barrel. Saddam Hussein thought it would go up. By July, it was down to \$14 a barrel.”

Cheney says Gorbachov relying on military

In testimony before the House Foreign Affairs Committee, Secretary of Defense Richard Cheney said that recent events raised a “question about the course of the Soviet Union.” Cheney expressed concern about Gorbachov’s inability to reform and transform the Soviet Union.

While past administrations would use such dangers to justify needed defense spending, Cheney has been content to preside over the U.S. military pullout from Europe and the decline of the U.S. military to a force capable only of fighting wars against the Third World.

Consistent with this approach, Cheney criticized congressional

moves to impose arms limitations on the Mideast countries. “Such a move would not favor our friends or make them more secure,” said Cheney. “If they do not get the weapons they need,” warned Cheney, “they will have to rely even more on our own forces.”

Congress demands allies pay for war by April 15

On March 13, the House passed an amendment to the Persian Gulf supplemental appropriation, sponsored by Reps. Jim Chapman (D-Tex.) and Carl Pursell (R-Mich.), which demands that U.S. allies either pay their promised commitments to the Gulf war or present an agreed upon payment schedule by no later than April 15. Sovereign nations, it seems, if they are U.S. “allies,” now face the same deadlines as American citizens.

One House aide indicated that some congressmen wanted to make penalties for non-compliance explicit, although, he said, some countries are seen as simply having problems getting the money through their legislative bureaucracy, while others are “notorious for not meeting such commitments.”

Pressure will be increased on the allies to meet the payments in an atmosphere which is becoming ever more vitriolic. The Senate passed a similar resolution 98-1 on March 19 which would restrict arms sales to allied countries which did not comply with their Gulf war commitment. These measures would especially affect Saudi Arabia and the United Arab Emirates. Total outstanding allied commitments are over \$53 billion, while the Treasury has received only \$16.9 billion.

In Germany, the Social Democrats have been up in arms over the German payments since the war lasted

such a short time. They feel that the total \$6.6 billion committed by Germany initially would therefore represent a form of tribute to the United States. The German government will be sending a delegation to the United States at the end of March to renegotiate its commitment.

Hollings blasts budget hoax, offers austerity

Sen. Ernest Hollings (D-S.C.) lashed out at the illusory budget agreement agreed upon by the Congress and the White House last year in a commentary in the *Washington Post* on March 15, calling the budget hoax "a dirty little secret" kept by 535 congressmen and one President. Hollings notes that the debt has skyrocketed toward \$400 billion.

The purpose of last year's agreement, says Hollings, was to allow Bush to get by the 1992 election. The exposure of this aspect of the "dirty little secret" may be the most important side of what Hollings says since, as one of the authors of the insane Gramm-Rudman-Hollings budget balancing measure, he offers no solutions to getting the economy growing, only more austerity.

"The great bulk of the painful 'proposed savings,' " writes Hollings, "a whopping \$108 billion worth—is put off until fiscal years 1994 and 1995, and only a fool believes that cuts of that magnitude will ever be made." He notes that the five-year agreement claims that fiscal years 1994 to 1996 will benefit from a \$110 billion "S&L bonanza," but notes wryly that with the problems the Resolution Trust Corp. now has of getting rid of the S&L assets, "we'll be lucky to get 10¢ on the dollar for these turkeys."

Hollings correctly notes that the

great bulk of the deficit is gross interest on the national debt—\$292 billion in fiscal year 1991. He adds that in financing the record budget deficits this year and next, "interest costs will jump in annual increments of \$30 billion or more.

"Sixty cents out of every dollar in personal income taxes now goes strictly to pay gross interest on the debt," reports Hollings.

SDI focus of renewed partisan infighting

Two sense of Congress amendments were introduced in the Senate on March 13 focused on the Strategic Defense Initiative (SDI). Sen. John Warner (R-Va.) first submitted a resolution calling for re-opening negotiations of the 1972 Anti-Ballistic Missile (ABM) treaty to allow for the development of advanced missile defense systems, and to abrogate the treaty entirely if no progress is made within two years.

The amendment was added as a rider to a bill which authorizes a \$500 million package of benefits for military personnel and their families. The amendment was introduced after discussions with the White House, which thought they could capitalize on the "momentum" of the Gulf war.

Although the Warner amendment builds on the original Reagan proposal, with the lack of major funding the proposal is self-serving as a tool for bashing anti-defense Democrats and, in particular, to humiliate Senate Armed Services Committee chairman Sam Nunn (D-Ga.), who had voted against the Gulf war.

Nunn counterproposed directing SDI funds away from directed energy systems and in favor of rapid development of ground-based kinetic energy

devices, including \$100 million for new Patriots—something more palatable for liberal Democrats. The Nunn proposal, with stronger support in the Senate, prompted Warner to withdraw his amendment, and Nunn then withdrew his proposal.

Specter seeks stringent measures in crime bill

Sen. Arlen Specter (R-Pa.), one of the sponsors of the crime bill proposed by the Bush administration, wants to outdo even the butchers in the White House. Specter proposes further amendments to further limit *habeas corpus* proceedings, by allowing for only one appeal in the state court for defendants facing the death penalty, which would comprehend all of the issues involved, including the competency of counsel.

Specter, a former district attorney in Philadelphia, wants to limit the time for filing a *habeas corpus* petition in federal court to 120 days, while the Bush crime bill had already demanded a time limitation for filing of 180 days.

The right to *habeas corpus* is the only legal means that indigent prisoners convicted to die have to rectify any discrepancies or irregularities in the judicial system which condemned them to death. The limitations placed on the time to file could send a good number of innocent people to their deaths.

The Bush crime bill is a mixture of "reforms" which would also allow into court evidence from illegal search and seizure. Sen. Joseph Biden (D-Del.), chairman of the Senate Judiciary Committee, has indicated that he will work to pass the bill if the administration will agree to include gun control legislation.