

Congressional Closeup by William Jones

Sachs seeks more funds for IMF wrecking team

Harvard Prof. Jeffrey Sachs called the \$12.3 billion in proposed International Monetary Fund (IMF) aid to Russia an absolute requirement, and warned that more funds will be needed, in testimony before the House Subcommittee on Europe and the Middle East on April 1. Sachs is the author of the "shock therapy" austerity policy which is destroying the Polish economy and which is now being attempted by Russian President Boris Yeltsin under the personal direction of Sachs.

"There is growing risk of an anti-western backlash, provoked by opponents of the government. . . . The IMF and the West more generally, will bear the blame for the measures if there is no western financial support to accompany this round of policy actions," said Sachs. Sachs is also calling for a \$6 billion stabilization fund for the ruble, which would act as an "insurance policy" if the market forces unleashed by the lifting of price controls were to cause a serious destabilization of the currency.

Sachs consoled legislators, who are being asked to pass a \$12 billion quota increase in funding for the IMF, assuring them that Russia "would be barred" from drawing down the \$6 billion fund if its macro-economic policies were out of compliance with the IMF-monitored program.

Burton warns that 38 million could die of AIDS

On March 26, Rep. Dan Burton (R-Ind.) warned that as many as 38 million Americans could die of AIDS if immediate steps are not taken to curb its spread.

Burton pointed to the announcement that day by Dr. Louis Sullivan,

head of the Department of Health and Human Services, that 40,000 people a year are dying from AIDS and 40,000 are contracting the disease or getting HIV. The announcement also noted that one out of every 250 Americans is carrying the virus.

"I believe the epidemic is worse than that," said Burton. "I believe that we have 4-6 million people infected, which means that one out of every 40 or 60 Americans has the disease, and they are going to die from it."

Burton repeated his demand for a program of mandatory testing and tracing in order to establish who has the disease. "If we do not deal with this very quickly, we are going to lose 10, 20, or 30 million Americans. It is going to be devastating to our health system," he said.

Burton has been one of the most outspoken congressmen on the AIDS issue, but his calls for responsible public health measures have largely gone unheeded. Unfortunately, the "austerity Republicans," like Burton, in their fervor to cut the budget deficit at all costs, deprive the federal government of the fiscal means to take up the life-and-death challenge posed by the disease.

Gonzalez rips Thornburgh for obstructing justice

In floor comments on March 30, House Banking Committee Chairman Henry B. Gonzalez (D-Tex.) attacked the Department of Justice under former Attorney General Richard Thornburgh as the "Obstruction of Justice Department." Gonzalez pointed to Thornburgh's attempts to "falsely use national security to thwart the committee's investigation" of the Atlanta branch of the Italian Banca Nazionale del Lavoro.

The Gonzalez investigation is examining U.S. relations with Iraq in the period immediately preceding the Persian Gulf war and, in particular, the specific intelligence and financial collaboration with Iraq.

Gonzalez complained that the U.S. policy toward Iraq was conducted "behind closed doors and out of the sight of Congress and the American people." He said that, since the Banking Committee began its investigation, Attorney General Thornburgh and the Justice Department, together with the Department of Agriculture and members of the National Security Council, had exerted all efforts to "mislead the Congress and the American public."

Health system collapsing due to drugs, AIDS

The related epidemics of AIDS and drugs are crushing the emergency health care delivery system, according to a report released by Rep. Charles Rangel (D-N.Y.), the chairman of the House Select Committee on Narcotics Abuse and Control. Statistics developed by the National Association for Perinatal Addiction Research and Education (Napare) also show that this is wrecking the social infrastructure for children who are victimized by these problems. Among the findings in the committee report:

"Approximately 554,400 to 739,200 drug-exposed babies are born each year," the report says, based on material developed by the Commission on the Future of Children, 1991.

"One of every 10 infants in the United States is born to a substance-abusing mother while some more recent studies suggest the number is closer to one in five. . . .

"The rate of drug abuse among

pregnant women is the same across racial and socio-economic groups (15%). However, African-American women are 11 times more likely to be tested than whites. . . .

"By the year 2000, sixty percent of students attending inner city public schools could come from the current population of drug-exposed infants," the report said, based on a Government Accounting Office report entitled "Drug-Exposed Infants: A Generation at Risk" released in 1990.

"The number of children in foster care is almost 400,000—an increase of 50% over the past five years. . . .

"Approximately one-third of those placed in foster care are children of drug abusers. Annual costs of foster care for these children range from \$13-36,000. . . .

"Between 30 and 50% of drug-exposed infants in New York City go into foster care," the report said, based on a report entitled "Crack Babies: The Shame of New York," prepared by the New York State Senate in 1989.

Dems hold secret caucus on alternative to Clinton

The April 6 issue of *Roll Call*, the Capitol Hill newspaper, reported that a "secret meeting" of Democratic senators took place on April 1 in the offices of Sen. Dennis DeConcini (D-Ariz.) to discuss the possibility of an alternative Democratic presidential candidate to Arkansas Gov. Bill Clinton. Many participants reportedly fear that a Clinton primary victory will secure George Bush's reelection.

The Democratic leadership confirmed that the meeting took place, although the names of the senators attending were not revealed. Sen. David

Boren (D-Okla.) said that he did not attend the meeting, but that he had sent a letter to former Massachusetts Sen. Paul Tsongas urging him to rejoin the presidential campaign. Tsongas suspended his effort after several Midwest primary defeats.

Although there is widespread discontent with Clinton on Capitol Hill, he received the endorsement of House Speaker Thomas Foley (D-Wash.) on April 3.

LaRouche reform of Fed presented to Congress

Testifying before the House Appropriations Subcommittee on the Treasury, Postal Service, and General Government on April 8, Schiller Institute representative William Jones outlined the "Federal Reserve Nationalization Act of 1992," authored by Democratic presidential candidate Lyndon LaRouche.

The text of the act, which was entered officially as the Schiller Institute testimony in the committee record, outlines a series of measures for financial reform, including nationalizing the Federal Reserve and bringing it under the control of the U.S. Treasury. On the basis of those measures, as authorized by Article 1 of the U.S. Constitution, the new *national* bank could issue currency through a discount window to the productive, infrastructure and related sectors of the physical economy.

"The LaRouche proposal calls for a currency issuance of \$1 trillion per annum," said Jones, "\$600 billion of which would be used by the federal, state, and local governments for infrastructural spending, and \$400 billion made available to private industry through the discount window.

"Since the money is being circulated as 'productive credit,' the mode of circulation is inherently anti-inflationary. The subsequent generation of 6 million jobs would serve to rapidly increase the tax base, without increasing taxes, and the deficit would gradually decrease in spite of the necessary increased spending needed to reach that objective."

Either we implement the Hamiltonian policies embedded in the LaRouche proposal, Jones concluded, "or we can continue the same course we have traversed over the last 20 years and see our nation—and the world—plunge into what would effectively become a new Dark Ages for the human race." Three congressmen were in attendance at the hearing, including Rep. Frank Wolf (R-Va.), whom LaRouche ran against in the 1990 congressional campaign.

Dozens of congressmen bow out of reelection bid

The fallout from the House Bank scandal and redistricting is creating the highest turnover tally since 1980 when numerous congressmen were swept into office on the coattails of the Reagan victory. So far, 44 members of the U.S. House of Representatives—30 Democrats and 13 Republicans—have said they will not seek reelection. More such announcements are soon expected, according to the April 5 *New York Times*.

The highest number of voluntary exits from Congress was 49, set in 1978. Many of the congressmen who have decided to leave Congress have cited the plethora of press attacks against them as their reason for leaving, indicating the increasing power of the U.S. news media to dictate politics.