

Congressional Closeup by William Jones

Livingston claims 'October Surprise' a LaRouche ploy

In a debate on the House floor on Feb. 25, Rep. Bob Livingston (R-La.) attacked the "October Surprise" investigation, now given the go-ahead by the House leadership, as a hoax perpetrated by Lyndon LaRouche and *EIR*.

Livingston referred to the *Newsweek* and *Village Voice* articles, which attempt to discredit allegations that the Reagan-Bush campaign conspired to delay the release of American hostages from Iran until after the 1980 elections, and placed the entire Feb. 25 *Village Voice* article into the *Congressional Record*.

Livingston called on Democrats to call off the "partisan witchhunt" and to "apologize to Presidents Reagan and Bush for this political hatchet job."

Earlier in the year, Livingston had attacked LaRouche's qualification for federal matching funds to demand a reform of the campaign funding system.

Senate conditions on China MFN vetoed by Bush

The Senate passed a measure which would place stringent conditions on any continued issuance of Most Favored Nation (MFN) status to the People's Republic of China, in a 59-39 vote on Feb. 25.

The bill would require China to improve its record in the area of human rights—end religious persecution, allow free assembly, freedom of the press, and end torture and inhumane prison conditions—open its markets to American exporters, stopping unfair trade practices, and cease its proliferation of weapons systems.

The measure was vetoed by President Bush on March 2, a move which a grateful Chinese leadership charac-

terized as "very sensible."

Senate Majority Leader George Mitchell (D-Me.) said that the veto "again demonstrates the President's tenacious support for the Communist Chinese leadership against the interests of the Chinese people."

Because the vote fell far short of the 66 votes needed to override a presidential veto, the veto will undoubtedly be sustained when the bill comes back to the Senate.

Byrd filibuster, Dems defeat line-item veto

An attempt by Senate Republicans on Feb. 26 to win congressional approval for a presidential line-item veto was defeated 54-44 after a mini-filibuster by Senate Appropriations Committee chairman Sen. Robert Byrd (D-W.V.). GOPers then urged the President to begin vetoing individual items in spending bills even if the Congress refuses to give him the power to do so.

Sen. John McCain (R-Ariz.) and Sen. Dan Coats (R-Ind.), the sponsors of the bill, which was attached as an amendment to pending anti-trust legislation, knew that the measure would fail, but felt that raising the issue of "pork-barrels" would strike a sympathetic chord with voters in an election year.

Under the proposal, the President could sign an appropriations bill and then, within 20 days, strike out individual items. The spending rescissions would take effect automatically unless Congress passed a resolution of disapproval within another 20 days.

Byrd presented a historical overview of the legislative responsibility over the budget as "the taproot of the tree of Anglo-American liberty." Byrd denounced the measure as "quack medicine which would be better de-

nominated as snake oil," calling it a threat to the foundations of the republic.

McCain and Coats are nevertheless calling on Bush to unilaterally invoke authority to veto individual spending items, in spite of the failure of the legislation. Budget Committee chairman Sen. Jim Sasser (D-Tenn.) called such a tactic a "naked power grab."

When the White House was asked whether the President indeed plans to invoke the veto authority, White House Chief of Staff Samuel Skinner said that they were "giving that and several other ideas serious consideration," but added that "there are legal ramifications that need to be looked into." The line-item veto would concentrate power over the budget with the President, whereas the Constitution clearly reserves control of the federal purse with the Congress.

Dymally warns: Don't neglect plight of Africa

In an address at the beginning of February to the students of Central State University, a black university in Wilberforce, Ohio, Rep. Mervyn Dymally (D-Calif.), the chairman of the Africa subcommittee of the House Foreign Affairs Committee, warned of the growing neglect of African affairs by the U.S. Congress.

The "calls for us to abandon foreign assistance," said Dymally, "come just at the time when we have been able to increase aid to Africa." He said it was one of the "supreme ironies of our time that the continent blessed with the earth's richest treasure chest of natural resources should also be the home of the world's poorest people."

Dymally noted that Africa had

been severely hit by the AIDS epidemic—"the fourth horseman of the Apocalypse"—deteriorating terms of trade, and an increasing debt burden. "Africa is in the incongruous position of sending more money to the industrialized countries than it receives from them," he said, encouraging more participation by the United States in promoting economic development on the African continent.

Gonzalez targets Kissinger Associates in BNL probe

In floor comments on Feb. 24, House Banking Committee chairman Rep. Henry B. Gonzalez (D-Tex.) presented some of the findings of the committee's investigations of the Atlanta branch of the Italian Banca Nazionale del Lavoro and its loans to the Iraqi government—activities which were initiated by Bush administration officials formerly employed by Kissinger Associates.

The investigation has been conducted by the committee despite strong opposition from former Attorney General Richard Thornburgh. Deputy Secretary of State Lawrence Eagleburger, the investigation had found, had been instrumental in giving his support to a \$1 billion Commodity Credit Corp. program for Iraq in 1989. While he was undersecretary of state for political affairs in 1983, he had written to Export-Import Bank chairman William Draper III urging him to open the program to Iraq, which had earlier been excluded.

Gonzalez pointed out that Eagleburger had been the director of the Yugoslavian LBS Bank, and that he had helped to set up its U.S. operations.

Gonzalez also related how then-Vice President Bush had pressured

Ex-Im Bank chief Draper to get the bank to finance an Iraqi oil pipeline to the Jordanian port of Aqaba.

Gonzalez repeatedly returned to the key role of Kissinger Associates. "The beauty of this game is that these fellows [Eagleburger and Brent Scowcroft] can wear all kinds of hats and then they can come and wield all kinds of power," Gonzalez said. "Then they can go back and pick up that other hat that they had temporarily not used. Now, they are not elected. People have no control over them, only through the President."

Gonzalez continued his discussion of the BNL investigation on March 2, reiterating that "behind all of this you have the National Security Adviser, Scowcroft, and the Deputy Secretary of State, Eagleburger, all of whom came from Henry Kissinger's stable known as Kissinger and Associates, which incidentally has had more influence with foreign potentates and ambassadors coming over than even the State Department sometimes." Gonzalez noted that although Kissinger "has no official title," he still "lurks in the penumbra of power and has for many years."

Pryor targets SDI in new Pentagon scandal

Lambasting the "great star wars gravy train," Sen. David Pryor (D-Ark.) launched a new attack on the Pentagon, alleging contracting scams in the Strategic Defense Initiative (SDI) Organization, in floor comments on Feb. 27.

Pryor asked, "Why does this particular program continue to grow so rapidly? What exactly are its costs? What are its benefits?" Pryor warned that in the coming weeks he is going to review the SDI's "over-reliance on

the contractors and the subcontractors. . . . We are going to be looking at the Pentagon oversight, and especially the lack of oversight. We are going to be studying some conflicts of interest, Mr. President."

In particular, Pryor said that he would be examining the role of the Defense Science Board, the input its decisions have on the SDI, and possible conflicts of interest.

Similar to the judicial persecution launched against Pentagon contractors by U.S. Attorney Henry Hudson in a witchhunt code-named "Operation Ill-Wind," Pryor seems intent on using the same type of methods to destroy what is left of the SDI. He characterized the SDI Organization as "an invisible bureaucracy of contractors feeding from the open money sack."

Baker scrounges for funds for United Nations

In testimony before the House Appropriations subcommittee responsible for State Department funds on March 2, Secretary of State James Baker III had a difficult time convincing the committee that it should shell out an additional \$1.9 billion over the next 18 months for a peacekeeping force of 22,000 troops to supervise elections in Cambodia.

The Bush administration had requested \$81 million for U.N. peacekeeping activities in fiscal year 1990 and \$116 million in 1991. The request for 1992 has reached \$350 million as the role of the U.N. has expanded in the context of George Bush's new world order.

Baker called the money "a good buy," but it met considerable criticisms from lawmakers, who are faced with cutbacks in programs for their constituents.