

Congressional Closeup by Ronald Kokinda and Susan Kokinda

Gonzalez resolution to probe Kissinger

Rep. Henry Gonzalez (D-Tex.) has submitted a resolution to probe former Secretary of State Henry Kissinger for conflict of interest. Gonzalez cites Kissinger's role as chairman of the bipartisan commission on Central America as potentially inappropriate in view of his business connections, including the fact that Kissinger Associates clients do business in the southern part of the hemisphere.

The resolution, brought to the floor of the House on Sept. 15, resolves that "the President . . . is requested to furnish to the House of Representatives, not later than seven days following the adoption of this resolution, a full and complete information on the following: 1) any payments to Henry Kissinger and Associates by U.S. Government departments and agencies. . . . 2) the listing of individuals and entities that have employed Henry Kissinger and Associates, including dates, amounts paid, and the exact services provided; and 3) a listing of individuals and entities that have employed Henry Kissinger since Jan. 1, 1980."

Gonzalez charged Kissinger with using his own private "State Department" in building up his influence to enhance his business operations (see *EIR* interview with Gonzalez, Sept. 27). Gonzalez said he wanted to know Kissinger's relationship "particularly [to] the Secretary of State."

Also cited was the fact that a member of Kissinger Associates, William D. Rogers, former Assistant Secretary of State for Latin American affairs, "accumulated \$300,000-plus as the agent, of all things, for the Sandinista government to procure arms. . . . What will be the shame when these American boys [in Central America], will be fired upon with the guns pro-

cured by Henry Kissinger and Associates?" Gonzalez demanded.

Senate committee stalls freeze resolution

After a full day of negotiations on Sept. 20, the Senate Foreign Relations Committee, a body dominated by Kissinger Republicans and Andropov Democrats, failed to reach any consensus on favorably reporting an arms control resolution to the floor of the Senate, and therefore sent two atrocious resolutions to the floor.

The nuclear freeze resolution of Ted Kennedy (D-Mass.), Mark Hatfield (R-Ore.), Paul Tsongas (D-Mass.), and Alan Cranston (D-Calif.), which won Yuri Andropov's approval, was defeated by a 10 to 7 vote.

A substitute resolution, allegedly representing the administration position, introduced by committee chairman Charles Percy (R-Ill.) along with Larry Pressler (R-S.D.) and Rudy Boschwitz (R-Minn.), failed to pass out of committee by a vote of 8 to 8. (Edward Zorinsky (D-Neb.) voted present, thereby ensuring a tie.)

The committee then voted to send both resolutions to the floor of the Senate "in disagreement," thus allowing the full Senate to pass on the issue, despite the committee's position.

Percy's inability to win agreement on a resolution reflects the fluid state of affairs on Capitol Hill in the wake of the Soviets' downing of KAL 7 Sept. 1. The Percy-Pressler-Boschwitz alternative was drafted in recognition of the collapse of open support for the freeze in the U.S. Senate and in an effort to nonetheless keep the administration within the framework of the Scowcroft Commission recommendations based on the Mutually As-

sured Destruction doctrine President Reagan has rejected.

The Percy resolution was a strong reaffirmation of the Scowcroft Commission's Kissingerian outlook, while it pays homage to the administration's START proposals.

As one Senate source said after hearing the content of the Percy resolution, "It's worse than the freeze—the freeze is just rhetoric, this reaffirms Kissinger's doctrine!"

More attacks on nuclear projects

The Clinch River Breeder Reactor (CRBR) and a financing plan to complete two Washington Public Power Supply System (WPPSS) nuclear plants have come under renewed assault from the alliance of "greenies" and "fiscal conservatives" which *EIR* has identified as a national security threat to the nation's infrastructure.

Despite the importance of both projects to maintain and augment the U.S. power grid, Senate Energy Committee chairman James McClure (R-Ida.) was forced on Sept. 19 by the threat of a filibuster to withdraw his legislation to ensure the completion of the WPPSS plants from the Interior Department authorization bill.

According to one administration source, it was the lack of administration support for the plan which precluded any efforts to fight the filibuster, which was threatened by the Senate's new "odd couple"—liberal freezenik Howard Metzenbaum (D-Ohio) and the Heritage Foundation-linked Gordon Humphrey (R-N.H.), who have also weighed in as the leading opponents of the CRBR.

Humphrey demanded hearings on the much-delayed CRBR, which were held on Sept. 22, in order to launch

further attacks on the new private financing scheme drafted by the Department of Energy in an effort to complete the project. Funding for construction of Clinch River ends with the 1983 fiscal year on Sept. 30, and unless Congress approves the new proposal, construction will cease.

Humphrey was joined by a Taxpayers Coalition Against Clinch River, composed of every environmentalist group in the United States and such "fiscal conservative" outlets as the National Taxpayers Union, the Heritage Foundation, and the radical libertarians. Both the left- and right-wing species of this coalition have been documented by *EIR* as being penetrated by the Soviet KGB.

Supporting Clinch River at the hearing, besides the administration, was the Coalition for Jobs, Environment, and Technology composed of trade-union representatives and pro-growth minority groups. Building Trades President Robert Georgine and United Steel Workers legislation director John Sheehan represented the coalition. The National Democratic Policy Committee (NDPC) also submitted a statement in support of the CRBR Project.

Democrats introduce emergency farm resolution

Led by the Senate Agriculture Committee's ranking Democrat, Walter Huddleston (D-Ky.), a group of Senate Democrats have introduced a resolution calling for the administration to use emergency assistance capabilities to aid farmers and farm-related businesses affected by the current drought.

Introduced on Sept. 15, the resolution, S.R.220, was co-sponsored by Zorinsky (Neb.), Melcher (Mont.),

Boren (Okla.), Pryor (Ark.), Heflin (Ala.), Dixon (Ill.), Ford (Ky.), Baucus (Mont.), and Hart (Col.). North Dakota's Mark Andrews was the only Republican supporting the resolution.

Huddleston charged that "the Department of Agriculture has failed to develop a comprehensive drought assistance plan. To date, in fact, the Department's response to the devastating drought has been limited to public relations efforts and expressions of sympathy."

Agriculture Secretary John Block, testifying before the Senate and House Agriculture Committees on Sept. 20 and 21 respectively, confirmed the charge by insisting that no emergency actions need be taken. Block claimed that the 1983 crop would be the second largest in history and 1983 reserves would be the second largest in history.

The Huddleston resolution calls for presidential disaster designations in the most acutely affected areas; deployment of special emergency teams to organize assistance efforts; immediate designation of counties for Farmers Home Administration emergency disaster loans; reopening the emergency livestock feed payment program; and making government loans and guarantees available to rural businesses adversely affected by the drought and the Payment In Kind (PIK) program.

Exim guarantees to Brazil, Mexico debated

Advocates and opponents exercised remarkably Jesuitical arguments in a hearing called to discuss the creation of an Export-Import Bank facility to guarantee \$2 billion worth of financing credit to Brazil and Mexico. The new facility has been proposed because businesses are fearful of engaging in trade with either country, given

the instabilities caused by the international financial crisis.

The Exim facility would back up credits extended for trade with those two countries with \$500 million earmarked for Mexico, and \$1.5 billion for Brazil.

William Proxmire (D-Wis.) asked Assistant Secretary of the Treasury Marc Leland at Senate Banking Committee hearings on Sept. 14, "The IMF austerity requirements reduce imports in these countries and here we are trying to increase our exports to them. Aren't we saying to Brazil that you should be austere elsewhere but not with U.S. imports?" Proxmire inquired.

"The IMF doesn't impose austerity, the market does," Leland answered. "If there were no IMF program there would be no adjustment [austerity] process in these countries, there would be no reasonable assurances of repayment to U.S. exporters, and trade would collapse even more. After all, the IMF doesn't tell people to import less, it merely demands adjustments in their exchange rates, which of course has impact on imports."

Leland went on to attempt to explain that the new Exim facility would be closely tied to the IMF austerity programs and that the facility could not be used by either Mexico or Brazil unless each country is in compliance with the IMF austerity programs.

Leland and other administration spokesmen managed to graphically document the collapse in U.S. exports to Mexico and Brazil over the course of the last year and a half of IMF programs. The argument that the IMF will safeguard U.S. exports and jobs to the developing sector by "saving" the latter's economies has been a key claim in the effort to gain congressional approval of the IMF quota increase.