

Congressional Closeup by Ronald Kokinda and Susan Kokinda

Senate judiciary opens money-laundering hearings

Six months after the administration introduced legislation to make money laundering a federal crime, the Congress has begun to hold hearings on the bill. On Oct. 29, the Senate Judiciary Committee heard testimony from Sen. Alfonse D'Amato (R-N.Y.), Assistant Attorney General Stephen S. Trott, Presidential Task Force on Organized Crime spokesman James Harmon, and the ACLU.

In his testimony, Trott said, "Sales of \$80 billion would make the illegal drug trade a bigger operation than all but one of the Fortune 500 companies." He indicated that prosecuting money laundering is "striking at the economic base of organized crime. . . . It is something we can control in the U.S. Crops can move from region to region, drug labs can be moved, too, but the banks in the U.S. will remain where they are, and we can reach them."

The committee is considering the administration's legislation and similar bills introduced by several senators, all of which address three main points: the need to raise fines in money-laundering cases, the need to make money laundering a crime, and the need to give the Treasury Department subpoena power to enforce the Bank Secrecy Act.

Senator D'Amato urged Judiciary Committee Chairman Strom Thurmond to "do all in your power to have a strong bill against money laundering marked up and reported out of committee this year, and then scheduled for a vote early in 1986." D'Amato

warned, "With so many Senate and House bills to consider . . . we could run out of time to pass any bill at all. . . . That would be a tragedy because this Congress has a unique and historic opportunity to attack the financial empires of the drug czars and the organized-crime networks."

Neither the Justice Department, the Senate Judiciary Committee, nor Senator D'Amato himself, however, has taken any action to clean out the drug-related corruption in the U.S. government.

Congressional attacks on Marcos escalate

Senators and congressman are jumping into the fray, joining the campaign of the State Department and the news media to topple U.S. ally President Ferdinand Marcos of the Philippines.

Senator David Durenberger (R-Minn.), chairman of the Senate Intelligence Committee, has called for placing CIA covert networks into the Philippines behind the back of President Marcos. Durenberger, a close friend of Zbigniew Brezinski who has staffed his committee with aides to former Carter administration CIA Director Stansfield Turner, said that the CIA should figure a way to "put some people in place now" over Marcos's objections. Durenberger made his remarks to the *San Jose Mercury News* and to National Public Radio.

On Oct. 30, Senate Foreign Relations Committee Chairman Lugar (R-Ind.) convened hearings on the Philippines. At those hearings, Alan Cranston, Moscow's favorite

Democratic senator from California, declared, "The best friend the communists have in Manila today is Ferdinand Marcos." Cranston called for Marcos's overthrow, and demanded that the United States do all it can to "bring about a swift transfer of power" from the "Marcos dictatorship." He praised the Reagan administration and Republicans on the committee, especially Sen. Frank Murkowski (R-Alaska), for the cooperation and "extraordinary bipartisan consensus" regarding the Philippines.

Dannemeyer: sodomy is not a civil right

"I have no intention of elevating sodomy to a civil right," Rep. William Dannemeyer (R-Calif.) said, in response to charges from the press that he was "gay bashing" and using AIDS for political ends by introducing five bills to the Congress calling for a series of emergency measures to prevent the spread of the disease (see article, page 60).

Dannemeyer said: "There is a contest in the culture of our society whether to equate a homosexual with a heterosexual lifestyle . . . and I have no intention of elevating sodomy to a civil right. It is perversion and should be described as such. . . ."

Dannemeyer also blasted the Democratic Party national leadership, "which has said the male homosexual community is welcome in their ranks."

In response to questioning from *EIR*, Dannemeyer replied that he saw "no reason to recommend" a program of general screening in the population

for AIDS similar to the military program, and said he "can't foresee the need in the reasonable future."

Tom Bliley (R-Va.), a co-sponsor of the legislation, said that the bills were designed "not to bash the gay community but to protect the public." He said he had co-sponsored the "sense of the Congress" to keep children with AIDS out of school because the danger of transmission was very real, and "we have to come down on the side of safety."

Dannemeyer now expects the bills to be offered soon as amendments to legislation.

Heavy committee schedule on SDI

Over the next month, both the Senate Armed Services Committee and the Senate Foreign Relations Committee have set major hearings on the Strategic Defense Initiative.

At Oct. 30 hearings featuring Lt.-Gen. James Abrahamson and Assistant Secretary of Defense Fred Iklé, Senate Armed Services Strategic and Theater Nuclear Forces Subcommittee Chairman John Warner (R-Va.) announced that the hearings would continue in closed session, with the same two witnesses, on Nov. 6. Nov. 12 hearings will review the Soviet SDI program; Nov. 19 hearings will hear from the SDI opposition, and Nov. 21 hearings will review developments from the Reagan-Gorbachov summit.

The Senate Foreign Relations Committee, which heard Secretary of Defense Caspar Weinberger on Oct. 31, will conduct further hearings on

U.S. strategic, ballistic-missile defense, and arms control, according to Chairman Richard Lugar. Nov. 7 hearings will feature former NSC adviser Brent Scowcroft, former Defense Secretary James Schlesinger, and strategic analyst Walter Slocum. Testifying on Nov. 12 will be U.S. arms-control negotiator Paul Nitze, Assistant Secretary of Defense Richard Perle, and SDI opponents Gerard C. Smith and John Rhineland.

New 'Bretton Woods' conference to convene

Members of Congress are fronting for several schemes to replace the defunct "Bretton Woods" monetary system with an equally disastrous system of supranational control. An upcoming "U.S. congressional summit" on the international monetary system is being used by Treasury Secretary James Baker to push to end to floating exchange rates, according to *Washington Post* columnists Evans and Novak.

The summit, the brainchild of Rep. Jack Kemp (R-N.Y.) and Sen. William Bradley (D-N.J.), is expected to draw top European and Japanese government, banking, and business officials and will be addressed by, among others, Paul Volcker and Sen. Ted Kennedy.

The columnists claim that Baker will use the conference to move the administration away from its commitment to floating exchange rates. They add that Shultz opposes moving away from flexible rates.

Perhaps reflecting Shultz's influ-

ence, Sen. Gary Hart introduced an omnibus bill on Oct. 29 which calls "for a new Bretton Woods conference, called by the International Monetary Fund, to bring currencies back into line while preserving a flexible exchange-rate structure," and to establish a new monetary regime.

Otherwise, the bill calls for assisting the "development of the private sectors of less developed countries to increase demand for U.S. exports, strengthening the General Agreement on Tariffs and Trade and reform U.S. trade laws; assisting American industries in improving their competitive posture in international markets, and providing transition assistance to workers in response to changing global economic conditions."

In an earlier floor statement, on Sept. 17, Hart filled out some of the details of S. 1797. Hart's proposals for the developing sector amounts to little more than asset-grabbing, with a sugar coating. He would "link expanded aid—through investment and debt-recycling assistance—to increased American access to Third World markets." In exchange, the bill calls for a new, multilateral agreement to prevent the IMF from imposing austerity measures that threaten new democracies.

The legislation strengthens trade retaliation measures by the United States. It also includes a corporatist section on labor-management agreements to increase productivity—"compacts brokered by the President among labor, management and private capital" under which wage demands would be conditioned on profitability or productivity."