

# The Congress in 1985: The nation won't survive another year like that

by Ronald Kokinda

The national sovereignty and security of the United States are on the line in 1986, because of actions taken by the U.S. Congress in 1985.

By year end, the *New York Times* was gloating that the pro-IMF team of White House Chief of Staff Don Regan, Treasury Secretary James Baker III, Federal Reserve Board chairman Paul Volcker, and Secretary of State George Shultz, had seized unchallenged control of administration economic policy. But they were in fact assuming control of foreign, strategic, and defense policy as well.

A few leadership changes in Congress at the start of 1985 were key in ensuring that a closer working relationship existed between Congress and this IMF group.

In the Senate, the most important change was the election of Robert Dole (R-Kan.) as Senate majority leader. Then came the decision of Sen. Jesse Helms (R-N.C.) not to seek the chairmanship of the Senate Foreign Relations Committee, leaving it in the hands of Sen. Richard Lugar (R-Ind.). In the House, the single greatest leadership change was the dumping of pro-defense Rep. Melvin Price (D-Ill.) as chairman of the House Armed Services Committee, and his replacement by Rep. Les Aspin (D-Wisc.). A former aide to the Robert McNamara and Sen. William Proxmire (D-Wisc.), Aspin is an especially serious threat to defense because of his commitments to arms control and the MAD doctrine.

A brief review of Congress's actions spell out the dangerous situation now facing the nation.

## Budget cuts cripple defense

The single most disastrous piece of legislation passed, the Gramm-Rudman-Hollings bill to balance the budget by 1991, was signed into law by President Reagan on Dec. 12. What Gramm-Rudman promises for 1986, by effectively placing the United States under International Monetary Fund (IMF) conditionalities policies instead of constitutional government, is America's extremely rapid descent into third-rate power status.

The administration is now preparing to submit a budget in January for FY87 with \$50 billion in domestic spending cuts. The defense budget will be hit with larger and larger real cuts, as much as 3%, 5%, and 8% over the next three

years. The defense cuts will impose America's "decoupling" from Europe and other U.S. allies, as troop, military, and other aid commitments are reduced under the mandatory budget straight-jacket.

A crippling blow to the Strategic Defense Initiative (SDI) came at year-end when House-Senate conferees agreed to a test ban on Anti-Satellite (ASAT) systems, important to future SDI development. Despite Pentagon denunciations of the ban as establishing "a Soviet veto" over the program, and a personal meeting between Defense Secretary Caspar Weinberger and the President, Reagan agreed to the ASAT test ban. It was another victory for Don Regan, who once described his role in life as keeping Weinberger away from the President.

The SDI program was given only \$2.75 of the \$3.7 billion requested, thanks to an effort led by Sens. John Chaffee (R-R.I.), Proxmire, Charles Mathias (R-Md.), and Dale Bumpers (D-Ark.), Reps. Aspin, George Brown (D-Calif.), Norm Dicks (D-Wash.), and with the complicity of senators such as John Warner (R-Va.) and Sam Nunn (D-Ga.). The result will be program delays and elimination of promising avenues of investigation.

The hard-target-capable, cold-start missile, the MX, suffered similar attacks led by Senators Warner and Nunn. Not more than 50 missiles may now be produced.

The final defense spending figure of roughly \$298 billion did not even compensate for inflation. The administration was fighting for a 3% real increase as late as April. But after Treasury Secretary Baker signed the documents in mid-April welcoming increased IMF surveillance and oversight, Sens. Charles Grassley (R-Iowa) and Dole, backed by Sen. Ted Stevens (R-Alaska) who said, "[the] IMF has the right to have surveillance" over the United States, and proposed a zero-funding-increase defense budget. Regan, blocking Weinberger's calls to the President who was then in West Germany, got the President to go along. An effort by Sen. Barry Goldwater (R-Ariz.) to kill the zero increase failed 51 to 48. Sen. Malcolm Wallop (R-Wyo.) summed things up when he denounced the vote as sounding the "death knell" of U.S. defense.

In September, Sen. Warren Rudman (R-N.H.) teamed

up with Sen. Phil Gramm (R-Tex.) and Sen. Ernest Hollings (D-S.C.) to push their balanced budget bill. Gramm, who purports to be pro-defense, attacked the Pentagon for defending its "special interest," the nation's defense, as comparable to those who lobby "for jogging paths." Deficit madness was so great that the bill passed the Senate by 75 to 24 on Oct. 9. The House followed suit. Representative Aspin is now predicting in the range of a 6% real cut in defense under Gramm-Rudman for FY87.

A year-long series of hearings in the Congress attacking defense cost overruns, Pentagon management, and pushing for defense reorganization had weakened resistance to the Gramm-Rudman cuts now about to be imposed. The House passed a bill reorganizing the Pentagon which gives tremendous new powers to the chairman of the Joint Chiefs of Staff to enforce cuts on the services. Senator Goldwater also decided that the Pentagon system was "broke" and needed fixing. Some form of JCS reorganization legislation will pass the Senate next year. The new JCS chairman, Adm. William Crowe, is expected to go along with what the IMF crowd wants.

On June 5, the Senate passed an amendment sponsored by Sens. Bumpers and Patrick Leahy (D-Vt.) to continue to abide by the unratified SALT II treaty by a vote of 90 to 5—although documented Soviet violations are massive. Similarly, when National Security Adviser Robert McFarlane pointed out in October that the ABM Treaty allowed development of SDI technology, a storm of protests from Congress gave Shultz the clout to announce that "the narrow interpretation" of ABM would be adhered to. By December, Regan and Shultz had forced McFarlane out of government.

## **Destroying U.S. allies**

For the first time in five years, Congress passed a foreign aid bill—at the State Department's bidding. In the process, key allies such as Turkey and the Philippines suffered both assistance cuts and political abuse. The actions of Rep. Stephen Solarz (D-N.Y.) in regard to the Philippines are especially deserving of national-security investigation. The House added insult to injury by pushing a resolution condemning the 1915 genocide against Armenians by the Ottoman Empire, a move the Turks considered (correctly) an expression of support for Armenian terrorism. Congress also effectively blocked a \$1.9 billion arms sale to Jordan, delaying it until March 1, 1986. King Hussein accordingly announced that he had lost confidence in the United States.

The Soviet offensive in southern Africa was also furthered as much as possible by Congress. Led by the Congressional Black Caucus, virtually every member of which voted for IMF funding, although fully informed of IMF responsibility for genocide in Africa, a group of congressmen were arrested outside the South African embassy "protesting apartheid." Eventually, Congress threatened to impose sanctions against South Africa with such an overwhelming majority that Reagan announced his own sanctions to avert the

congressional variety. With aid of State Department opposition, Congress denied both humanitarian and military aid to the Angolan rebel UNITA movement of Jonas Savimbi.

**Strategic decoupling:** Although the proposal for dramatic U.S. troop withdrawal from Europe advanced by Senator Nunn in 1983 was not put forward again, the Senate placed a virtual traitor in the ambassador's job in Bonn, West Germany. Despite an intercontinental mobilization opposing his nomination, the Senate, by a vote of 88 to 10 over the summer, approved Richard Burt, and Rozanne Ridgeway to replace Burt as assistant secretary of state for Europe. Within weeks, Burt was organizing Europeans to complain about the interpretation of the ABM Treaty which would allow SDI testing.

**The farm crisis:** A new four-year farm bill, and a farm credit bill, passed by the Congress and sent to the President at the end of December, will mean a tremendous drop in U.S. food production and will do nothing to alleviate the plight of a farm sector facing unprecedented bankruptcies. Out of 2.2 million U.S. farmers, over 200,000 are now bankrupt and another 400,000 are in "serious" financial trouble. Yet, the bill drops farm income target price supports by 10% over four years, cuts dairy price supports from \$11.60 to \$10.10 per hundred pounds beginning in 1987, will cull roughly 600,000 cows from production, drops loan supports, and pulls about 40 million acres out of production. Farmers will be paid to drop land from production, and cut off from all federal income if they put land into production. A farm credit bill giving the Treasury an open-ended authority to buy up bad farm debt and put IMF-type technicians in charge of the Farm Credit Administration instead of farm interests, is solely designed to protect selected financial interests. It will do nothing to keep farmers out of bankruptcy.

**The AIDS pandemic:** In the face of the deadly AIDS crisis, Congress took virtually no action during 1985, largely because of the homosexual-rights lobby led by Rep. Henry Waxman (D-Calif.) and Rep. Ted Weiss (D-N.Y.). Sen. Lowell Weicker (R-Conn.) got about \$100 million added for AIDS research. A small group of more conservative House Republicans led by Reps. Dornan (R-Calif.), William Danemeyer (R-Calif.), and Thomas Bliley (R-Va.), took various initiatives for more stringent measures to protect health-care workers and shut down homosexual establishments facilitating the spread of AIDS. But they did not address the crucial question of the economic investment and cost of serious public-health steps to arrest the epidemic.

**IMF economics:** The Congress accepted IMF policy orientation, directly backing the fund in its dealings with nations around the world and domestically. As the year ended, the House passed a tax bill sponsored by the House Ways and Means Committee which eliminates investment tax credits, gives tax breaks to the speculative category of capital gains, and by eliminating other exemptions, treats non-productive activities and usury the same as technologically oriented production.