

Congressional Closeup by William Jones

Banking Committee meets in Houston on S&Ls

The House Banking Committee held a hearing on the S&L crisis in Houston, Texas, an area which has been hard hit by that crisis.

Committee chairman Henry B. Gonzalez (D-Tex.) warned that the tentative steps taken in Texas toward recovery were threatened by the S&L crisis. Although praising Bush for addressing the S&L crisis in his inaugural address, Gonzalez said that the Resolution Trust Corp., which was set up to deal with the crisis, was "creeping along like a dime-store operation." "The sense of national urgency just hasn't been there," said Gonzalez.

Democratic gubernatorial candidate Ann Richards noted that many of the "bad loans" supposedly made by S&Ls were not bad at all. Richards said the "system is causing the problem. . . . It is a process gone crazy."

Flag amendment killed in both chambers

The Senate followed the House on June 26 in rejecting by a 58-42 vote a proposed constitutional amendment that would have allowed Congress and state legislatures to ban desecration of the American flag. The vote fell nine short of the two-thirds necessary for approval. Twenty Democrats joined 38 Republicans in voting for the amendment, while 7 Republicans voted with 35 Democrats against it.

Although the House rejection of the amendment a week earlier virtually doomed it, Senate Minority Leader Robert Dole (R-Kans.) pushed for a vote in the Senate in order to get senators on record on the issue. The Republicans hope to use the vote as an issue in the upcoming congressional

elections. "We will take a meaningless vote," commented Sen. Howard Metzenbaum (D-Ohio), "so that some campaign operatives can try to bludgeon senators who are willing to stand up for the Bill of Rights and vote against this amendment."

Many senators were concerned that playing fast and loose with the amendment process could lead to further attempts to amend the Constitution on relatively frivolous issues.

The amendment came in the wake of a Supreme Court decision declaring unconstitutional a congressional statute which made flag burning illegal.

Schroeder calls for bringing troops home

Rep. Pat Schroeder (D-Colo.), a member of the House Armed Services Committee, has proposed cutting U.S. troops abroad fewer than 20,000 worldwide. Present U.S. military commitments involve an out-of-country deployment of 400,000 American military personnel, with over 300,000 of these deployed in West Germany.

In a *Washington Post* commentary published on June 24, Schroeder claimed that with "dual-basing," which means having the logistical backup for the troops provided for by the basing country, U.S. troop commitments could be reduced to one-twentieth of present commitments!

Schroeder assumes that countries like West Germany can cough up the money to provide for these bases, since they are "now willing to pony up \$450 million for interim stationing of Soviet troops in East Germany."

The ugly necessity the West German government is faced with, of having to "buy" permission for German reunification, is used by the Colorado

Democrat as a bludgeon to force the West Germans to provide that which the U.S. no longer deems a necessity. At the end of a long war, which cost the U.S. a great deal of money and lives, it was deemed feasible to maintain military commitments so as not to have to fight another war. If Schroeder has her way and the U.S. reneges on that commitment, in a world filled with a great deal of uncertainty precisely because of the enormous changes in the Soviet bloc, the costs of this neo-isolationism may be much greater than even Pat Schroeder is prepared to pay.

Housing bill passes despite Bush's objections

The Senate passed on June 27, in an overwhelming 96-1 vote, a \$17.6 billion housing bill, which is intended to combat homelessness and move low- and moderate-income Americans into home ownership. The White House had threatened to veto the bill, which was \$4 billion more than President Bush had requested.

A bill pending in the House requests \$28 billion for a federal housing program.

Secretary of Housing and Urban Development Jack Kemp argued that allowing states and local governments to directly finance new construction and rehabilitation, which the bill mandates, could lead to the same kinds of fraud and abuse within HUD programs that are now being investigated by Congress.

The Senate voted on the housing bill the same day President Bush reneged on his "no new taxes" pledge. By publicly backing off on his election promise, President Bush hopes that the Congress will be forced to gouge spending on social programs

even more than it would otherwise be prepared to do. The actual amount of money that will be spent on housing programs will, however, not be decided until Congress begins dealing with appropriations bills later in the session. At that point, the money authorized by the Senate could be significantly gouged, in an environment heated by budget deficit hysteria.

House ethics panel stalls on Frank case

The House Ethics Committee has postponed until after Congress's July 4 recess a meeting to conclude its investigation of allegations against Rep. Barney Frank (D-Mass.).

The panel had been scheduled to meet on June 26 and was expected to rule on a split vote that the Massachusetts Democrat be given a mild written rebuke. Committee sources indicate that they will admonish him on two issues related to the probe—the fixing of traffic tickets while Steve Gobie, a male prostitute, was serving as a personal aide to Frank, and the sending of letters on congressional letterhead to court officers supervising Gobie's probation on several felony charges.

Frank, a homosexual, admitted hiring Gobie as a personal aide, but denied Gobie's allegations that he knew Gobie was running a prostitution service out of Frank's Capitol Hill apartment.

Dems demand tougher action against 'S&L crooks'

Rep. Frank Annunzio (D-Ill.) showed that he belongs to one of the more foolish and suicidal species of Democrats, when he on June 26 criticized the Justice Department for what he

said was "its lackluster performance in prosecuting the savings and loan crooks."

"These people are thieves, and the American people want to see them behind bars," said Annunzio.

Many of the S&L executives, following the outlines of the liberalized legislation allowing S&Ls to get involved in high-risk real estate speculation, are being scapegoated for the monstrous boondoggle which the thrift industry has become. A good many thrift owners have also been strong backers of Democratic political candidates, thus setting up Democratic politicians as part of the S&L "sleaze."

In the latest move by Attorney General Richard Thornburgh's "sweep" operation, Hal Greenwood, a Minnesota fundraiser for Democratic Gov. Rudy Perpich and the former head of Midwest Savings and Loan, was charged in a 40-count indictment for S&L fraud. Perpich called the indictment a political move by the Republican administration against him and his backers.

Anger rises over NASA budget cuts

Republican congressmen expressed their dismay over the cuts made by the House in the NASA budget. On June 21, Rep. Robert Walker (R-Pa.), the ranking minority member of the House Committee on Science, Space, and Technology, and House Republican Whip Newt Gingrich (R-Ga.) held a press conference criticizing the subcommittee's cuts in the space exploration program.

The Congressmen derided their Democratic colleagues who "for years . . . have been deriding the lack of a goal in the U.S. space program."

"Now when the President has presented us with a clear set of challenges," they said, "these same people suddenly decide that we cannot afford to rise to those challenges." Walker proposed instead across-the-board cuts in the other NASA programs in order to restore a portion of the exploration funds!

Chinese activist urges against MFN status

In hearings before the Senate Finance Committee on June 20, Chinese activist Feng Congde said that the United States should not extend Most Favored Nation status to the People's Republic of China. Feng is a member of the advisory committee of the Independent Federation of Chinese Students and Scholars, and husband of Chai Ling, the famous leader of the Tiananmen Square revolt.

"Extending MFN status at this time," said Feng, "would not only harm the already deplorable human rights situation in China, but would also represent a serious blow to reformist and progressive elements in China today. . . . Because of the importance China attaches to MFN status, an unconditional renewal of MFN status, as the President has proposed, would send the same message to Beijing as National Security Adviser Scowcroft's visit last December sent. Worse, it would signal the abandonment of those who languish in punitive detention."

Feng noted that the Chinese leadership is still "detaining tens of thousands of non-violent pro-democracy prisoners, refuses to allow free emigration, maintains a de facto martial law over Chinese students in the U.S., persecutes religious groups, and harasses Chinese students in the U.S."