

Congressional Closeup by William Jones

House bank 'massacre' claiming new victims

The federal probe of irregularities at the House bank has resulted in a number of subpoenas being issued, with more likely to come. U.S. Attorney Jay Stephens, the prosecutor who led the witchhunt against Washington Mayor Marion Barry, is in charge of the case.

Subpoenas made public on May 14 sought the expense records of Reps. Austin Murphy (D-Penn.), Joseph Kolter (D-Penn.), and Dan Rostenkowski (D-Ill.), the chairman of the House Ways and Means Committee. Subpoenas were also issued for the records of acting Sergeant-at-Arms Werner W. Brandt and House Clerk Donald K. Anderson.

The May 16 *Washington Times* reported that officials familiar with the Stephens investigation told them that a key witness for the U.S. Attorney's Office is James Smith, a former protégé of Rostenkowski and a former House Post Office assistant postmaster for accounts. He was reportedly accused by several employees in sworn statements last summer of using Post Office funds to improperly cash checks for lawmakers and House employees.

Tax restriction slows balanced budget amendment

A rider to the balanced budget amendment, which would require a three-fifths vote in both the House and the Senate to enact a tax increase larger than the growth rate of the economy, is expected to be introduced by Sen. Robert Kasten (R-Wisc.).

The Senate and House versions of the balanced budget amendment require only a simple majority vote to raise taxes. Opponents of the Kasten

rider believe that there will be enough votes to defeat it.

The rider is supported by the Bush administration so that the balanced budget amendment does not lead to a tax-raising spree by congressmen forced to counter a growing deficit. It prefers cuts on the expenditure side of the ledger, including major cuts in entitlements.

CIS aid bill passed by Senate committee

The Senate Foreign Relations Committee, in a 14-4 vote, passed the Bush administration's \$24 billion aid package to the Community of Independent States (CIS) countries on May 13. The foreign aid bill also includes a \$12 billion contribution to the International Monetary Fund. The Bush administration would like to have the bill passed by the time Russian President Boris Yeltsin visits Washington in mid-June.

The bill contains an amendment sponsored by Sen. Joseph Biden (D-Del.) which would make Russia ineligible for U.S. aid if it consummates a planned sale of long-range rocket technology to India. The proposed sale has created ill feelings and harsh words between Moscow and Washington. The Russians had won the Indian bid in competition with the U.S.-based General Dynamics, and some critics feel that U.S. concerns are more in reaction to that loss (see p. 11).

The committee, over the objections of the administration, also adopted an amendment by Sen. John F. Kerry (D-Mass.) which would ban aid to Azerbaidzhan unless it ends its blockade of neighboring Armenia in a struggle over disputed Nagorno-Karabakh.

Sen. Jesse Helms (R-N.C.) offered an amendment which would

have attached loan guarantees to Israel, but withdrew it when it didn't have the votes to pass. He intends to offer the amendment when the measure reaches the Senate floor sometime in early June.

The bill was adamantly opposed by Sen. Chris Dodd (D-Conn.), who labeled it "virtually a blank check." And House Democrats are threatening to block the Soviet aid unless President Bush signs a bill extending unemployment benefits. House Whip David Bonior (D-Mich.) has collected 103 signatures on a letter to the President underscoring that wish.

On May 14, Mikhail Gorbachov emerged from political retirement to make a plea before a joint session of Congress for the aid package, warning that the republics "still haven't reached the bottom of the crisis." Gorby-mania was again rampant on the Hill, with House Speaker Thomas Foley (D-Wash.) hailing the fallen communist leader as a "great leader and hero of world peace."

Robb still target of grand jury probe

Federal prosecutors have notified Sen. Charles Robb (D-Va.) that he is a target of a grand jury investigation into the illegal taping of a telephone call by Virginia Gov. L. Douglas Wilder, according to the *Washington Post*. Robb had previously been told he was not under scrutiny.

A former long-time aide to Robb, David K. McCloud, is said to be entering a plea agreement with prosecutors. Two other aides, Robert Watson and former press secretary Steven Johnson, have already pled guilty to minor infractions and agreed to cooperate in the investigation.

The tape included comments by

Wilder that Robb's political career would be "finished" because of reports that Robb had associated with drug-users and prostitutes during frequent trips to Virginia Beach during his 1982-86 term as governor. When excerpts of the tape appeared in the *Washington Post* and the *Roanoke Times and World News* last June, instead of making Wilder look bad, Robb and his aides became embroiled in a criminal wiretapping investigation. Robb, who said that he did not authorize the release of the tape, attempted to distance himself from the action by suspending McCloud, Johnson, and Watson.

Gonzalez committee denied material

The Department of Justice (DoJ) has halted the transfer of documents to the House Banking Committee, which has been investigating aspects of U.S. relations with Iraq in connection with its investigation of the operations of the Atlanta branch of Banca Nazionale del Lavoro (BNL).

In a letter to committee chairman Rep. Henry B. Gonzalez (D-Tex.), Attorney General William Barr complained of statements made by Gonzalez that labeled U.S. policy toward Iraq "flawed and tragic."

Gonzalez argues that U.S. military operations against Iraq during the Persian Gulf war were in conflict with U.S. policy toward Iraq prior to the military operations, and that the war was, therefore, a policy blunder. Gonzalez feels that aid to Iraq should have ended when the Iran-Iraq War ended. Gonzalez has been targeting Henry Kissinger, National Security Adviser Brent Scowcroft, and Assistant Secretary of State Lawrence Eagleburger as the culprits for the policy blunders.

Barr accused Gonzalez of endangering national security by making public the documents which the DoJ had sent to the committee.

Gonzalez responded in a letter to Barr, complaining that the Attorney General's letter indicated that the administration "plans to move from foot dragging to outright obstruction." Gonzalez said on the House floor on May 18 that he would "not give into political pressures." He said he felt that "prime motivation for the Justice Department's actions may be that they are hiding improprieties in the handling of the BNL case."

Democratic incumbents facing tough challenges

The anti-incumbent mood sweeping the country is threatening members who were considered "sure bets" for reelection.

In Michigan, a record number of Republican candidates have filed, hoping to reverse the 11-7 Democratic majority in the Michigan delegation.

In Minnesota, Rep. Martin Sabo (D-Minn.), now in his seventh term and holding important seats on the Budget and Appropriations committees, won his election two years ago with 73% of the vote. This year, however, he just barely succeeded in warding off a primary challenge from a woman who had decided to run just a few weeks earlier.

In New Hampshire, six Republicans have filed to run against freshman Rep. Dick Swett (D-N.H.).

Republicans are hoping to gain seven seats in the Senate, a not-so-easy feat since only one-third of the Senate seats are up for grabs this year. In the House, Republicans would need a 52-seat gain in order to get control of that body. Although they are

unlikely to gain control of the House, if the Republicans are able to pick up 20-35 seats, this might encourage less party-line voting.

Land-based SDI gets new lease on life

The House Armed Services Committee agreed to a 3% increase in next year's Strategic Defense Initiative (SDI) budget, bringing its funding up to \$4.3 billion. Virtually all of the money would go for land-based anti-missile interceptors.

The original SDI proposal—involving space-based beam weapon defense, proposed by Democratic presidential candidate Lyndon LaRouche in the early 1980s and taken up by President Reagan as U.S. policy in a speech on March 23, 1983—is all but dead. The space-based program, which maintains a chimerical existence in the "Brilliant Pebbles" interceptor program of the Bush administration, would, under the House proposal, receive no money whatsoever. The House vote was meant to send a message that the SDI program must retreat from outer space.

The Senate may include the \$570 desired by the administration for the Brilliant Pebbles program.

Although the House committee reiterated its wish that the administration continue to adhere to the Anti-Ballistic Missile Treaty, which bars any space weapons deployment, the administration is working on a draft, which they expect both President Bush and Russian President Boris Yeltsin to sign at their upcoming summit meeting in June, which would effectively scrap the ABM Treaty. Yeltsin has called for cooperation with the United States in developing a global defense system, reversing Moscow's previous categorical "nyet" to such a system.