

Congressional Closeup by Ronald Kokinda and Susan Kokinda

Califano to cover up Hill drug charges

Despite the conclusion of the Justice Department that charges of Congressional sexual misconduct with Capitol Hill pages are without corroboration, lawyer Joseph Califano, an official in several Democratic administrations, is gearing up for a massive investigation as newly appointed special counsel to the House Ethics Committee. Capitol Hill sources report that Califano's role will be to "find a Republican" to implicate in the apparently more substantive charges of narcotics violations among members of Congress. At this stage, the sources report, all those implicated are liberal Democrats.

"Pagescam" burst into the headlines in June with explosive charges made by several Capitol Hill pages that members of Congress had engaged in illicit sexual activity with young male pages. However, immediately on the heels of that, Rep. Robert Dornan, a conservative Republican from California, announced that he had been cooperating with District of Columbia police and the Drug Enforcement Agency in allowing an undercover agent to pose as his aide. Dornan revealed that evidence had been found of a cocaine distribution ring on Capitol Hill. It is those charges that the Justice Department is still investigating, and that Califano has been charged by the East Coast elite of the Democratic Party to either cover up or mitigate.

Califano has a long career in serving the Dope, Inc.-contaminated elements within the Democratic Party. During the Kennedy and Johnson administrations, he was involved with his close friend Cyrus Vance in the authorship of the notorious "Garden Plot" document, which advocated the abrogation of constitutional protec-

tions in the wake of the civil disturbances of the 1960s. He served, again with his friend Vance, in the Carter administration as Secretary of Health, Education and Welfare. In private law practice he has been a member of a law firm with Edward Bennett Williams, a top Democratic Party financier, whose interests in various sports enterprises have brought him into the orbit of Dope, Inc.

Senate passes racist immigration bill

By a vote of 80 to 19, the Senate passed the Immigration Reform and Control Act of 1982 (S.2222) on Aug. 17 and sent the measure to the House of Representatives for hoped-for passage this session. The legislation, managed by Sen. Alan Simpson (R-Wyo.), originated from the findings of the Heshburgh Commission on Immigration. The Commission based its findings on the racist premises of the *Global 2000 Report*, which posits that an explosion of population growth among the non-white peoples of the world threaten the security of the United States. While Sen. Edward Kennedy (D-Mass.) ultimately voted against the bill, charging that certain provisions would lead to discrimination against Hispanics in the United States, Kennedy was key, along with Simpson in drafting the basic restrictive orientation of the original bill.

Sources in the House Judiciary Committee say that Kennedy's publicized attacks on the bill, which would effectively close the U.S. border with Mexico and establish a police-state identification system for workers, were all for show. "Kennedy has the power as Senate Judiciary Committee Chairman to stop this bill from going through with one phone call, and he didn't,"

said a committee source. "He knew that if he didn't use his powers to stop it, it would pass, and that is what he wanted to happen."

The bill took the following final form: It grants amnesty for illegal aliens residing in the U.S. before 1977, but sets up an inferior "temporary" class of aliens who entered the U.S. between 1977 and 1980. These aliens will be denied any rights to food stamps, welfare, or medicare, and it establishes fines and jail terms for employers who knowingly hire illegal and undocumented aliens. An attempt by Sen. John Tower (R-Tex.) (one of the border-state Senators whose economy depends on the influx of workers from Mexico) to weaken and modify employer sanctions was resoundingly defeated by a vote of 14 to 85.

The bill contains a limited guest-worker program, which will be rendered ineffectual by other draconian provisions of the bill. An attempt by Sen. S. I. Hayakawa (R-Calif.) to add a substantive guest-worker program, which would aid U.S. employers and ease employment pressures in Mexico, was defeated by a vote of 16 to 83.

National interest rate limit demanded

After a year of stonewalling, the House Banking Committee chaired by Rep. Fernand St. Germain (D-R.I.) finally relented and began hearings Aug. 19 in its Domestic Monetary Policy subcommittee on H.R.4572, which would impose a national 10 percent ceiling on the rate of interest charged anywhere in the United States. Referred to as the "National Usury Act," the bill, according to a spokesman for its sponsor, Rep. Gene Snyder (R-Ky.), makes "no exemptions" for institu-

tions such as the Federal Reserve Board. "Our assumption is that everyone would have to honor that," the spokesman said, and therefore the prime rate "would have to be 2 or 3 points below" 10 percent, which would be reached by a series of interest-rate reductions over the next three years.

A panel of five witnesses, all Congressmen, including Jim Wright (D-Tex.), Taylor (R-Mo.), and Louis Stokes (D-Ohio), the usual constipated and monetarist arguments of the committee members with counter-arguments that the National Democratic Policy Committee has elaborated since its founding.

Representative Snyder told the committee point-blank that "the basic law of this land—the U.S. Constitution—doesn't even mention a Federal Reserve Board. . . . The U.S. Congress has not only the right but the responsibility to coin money and regulate the value thereof. . . . It is our responsibility to put the situation right. . . . Cutting the deficit will not automatically bring interest rates down," Snyder said. "On the other hand—cutting interest rates *would* help reduce the deficit."

Stokes and Taylor elaborated how every 1 percent drop in interest rates reduces federal outlays by \$11 billion, increases federal revenues by \$17 billion, and how a one percent drop in unemployment will decrease the federal deficit by \$28 to \$30 billion.

Asked by Rep. Walter Fautroy (D-D.C.),

ings, how they dealt with the argument that high interest rates are bringing down inflation, the panelists gave example after example of how interest rates are fueling inflation. "Using high interest rates to control inflation is like controlling a nosebleed by cutting the

guy's head off," Taylor said. "It's the craziest argument I ever heard," Perkins chimed in. Asked by Rep. Jim Coyne (R-Pa.)

with the flight-capital problem with an interest-rate ceiling in the U.S., Snyder told him it was "not a problem. The Japanese have a national usury ceiling and you don't see them having capital-flight problems. Besides, the Europeans, particularly, the West Germans, are begging us to get our interest rates down."

Both Snyder and Taylor attacked the Fed for practicing policies that only loan-sharks and the Mafia used to practice. "We still have people sitting in prison for doing what the Fed is doing today," Taylor said.

The most fire-breathing of all the panelists was the aged follower of Franklin Delano Roosevelt, Rep. Carl Perkins, chairman of the House Education and Labor Committee. "Carter put Volcker into the Federal Reserve and he has no regard for the people of this country. He's bankrupted more industries, foreign markets have been captured from the U.S. because of high interest rates. . . . If you get this bill to the floor it will pass overwhelmingly, by over 400 votes,"

Fautroy. "And Mr. Volcker will be stripped of his authority. He's disgraced the American people. The administration is not going to do anything; we have to take action."

Abscam investigators slap Justice on wrist

While citing numerous criticisms of the tactics used by the FBI in its Abscam investigation, counsel for the special Senate Committee investigating Abscam let the Bureau and the Justice Department go with a slap on

the wrist in a preliminary summary of findings presented to the committee on Aug. 18. Despite substantial evidence that Abscam sting man Mel Weinberg and Brooklyn Prosecutor Thomas Puccio were acting counter to explicit Justice Department procedures and directives on many occasions, the counsels concluded that they had found "no indication in anything which they found that would have affected the outcome of the Abscam trials or due process proceedings." The chief counsel to the Committee is James Neal, a former prosecutor in the Hoffa trials, and an intimate of the Kennedy networks in the Justice Department which ran Abscam.

But, as ranking committee Democrat Walter Huddleston (D-Ky.)

ed after hearing the counsels' summary,

and how a decision was reached by the Justice Department to switch its 'sting' operations to target public officials. In short, the fundamental question of the politically motivated targeting of the Justice Department, has remained unanswered by the investigation thus far." Despite this obvious gap in the investigation, Committee Chairman Charles Mathias (R-Md.)

"These sting operations might be a method by which the executive branch could interfere with the legislative branch, although it appears that this was not so in this [Abscam] case."

Among the other "irregularities" discussed by committee counsels were failure to document many crucial discussions between con men such as Mel Weinberg and various targets, loss of effective control over Weinberg as he began to direct the operation himself to a substantive degree, and the refusal by the Brooklyn strike force to abide by a Justice Department directive to cede New Jersey investigations to the Newark strike force.

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