

Congressional Closeup by Kathleen Klenetsky

Senate group moves against the SDI

A bipartisan group of senators, led by John Chafee (R-R.I.), introduced legislation on April 16 that would cut the Reagan administration's \$3.7 billion funding request for the Strategic Defense Initiative (SDI) to \$1.86 billion—little more than what was allocated to the beam defense program in fiscal year 1985.

"This is legislation that will bring a realistic and fiscally responsible approach to the SDI," claimed Chafee in a statement published in the *Congressional Record*, in which he termed the administration's request for the program "outrageously expensive." "I feel that the SDI, as it is proposed, could threaten the ABM treaty within the next 10 years, and cost enormous sums of money," he said.

The statement also charged that "accelerating the SDI," as the administration wants to do, "will have a negative impact on the upcoming United States-Soviet space weapons negotiations" in Geneva.

Co-sponsors of S. 879 include the key leaders of the anti-SDI cabal on Capitol Hill, including Sens. Charles Mathias (R-Md.), Dale Bumpers (D-Ark.), and William Proxmire (D-Wisc.). The measure coheres fully with their strategy of eliminating those funds from the SDI budget specifically earmarked for prototype development.

In his *Congressional Record* statement, Chafee said that S. 897 "will reaffirm Congress's commitment to the antiballistic missile treaty—the principal accomplishment of strategic arms control to date" by holding "demonstration projects within the SDI to a 4% increase." This, Chafee averred,

would "avoid creating a dangerously unstable international situation in the near term."

Earlier in April, the Senate Armed Services Committee—considered the most pro-defense panel on the Hill—voted to cut the SDI budget by \$300 million.

Congress pushes IMF murder plan for Africa

"Painful economic adjustments have to be made in Africa, and if the IMF does it, we will not have to bear the burden of blame . . . to put it bluntly, let them take the rap." So stated Dr. Carol Lancaster, Director of the African Studies Program at the Georgetown University School of Foreign Service to a congressional panel on April 18.

Lancaster's remarks came during hearings in the Subcommittee on International Development Institutions and Finance of the House Banking Committee on a bill to fund the IMF's sub-Saharan African facility.

Introduced by two New York Democrats, subcommittee chairman Stanley Lundine and Mathew McHugh, the bill (HR 1949) provides \$150 million per year for three years to the special IMF facility, which was created at the Fund's September 1984 meeting.

The bill alleges that the economic holocaust now afflicting sub-Saharan Africa is due to "mismanagement" by African governments, and claims that these nations are incapable of "absorbing" economic assistance for development projects or infrastructure.

Lancaster, who testified in favor of the bill, said the facility would lend money solely for "policy-based lending." "Policy lending" means money is lent not to build anything, or help

develop agriculture, but only to repay debt and only if the country in question agrees to implement a package of genocidal measures drafted by the IMF.

The "policy changes" are simple and straightforward, Dr. Lancaster explained to the panel: "You raise energy prices, you raise transportation prices to reflect the world market cost. You raise food prices, which means reducing the real income of your urban consumers. That's really the part which is the political problem. That means adjusting upwards food, fuel and transportation prices—which are usually fixed in these countries—so the new prices will reflect relative scarcities, rather than whatever social or political aims the government had intended."

Lancaster crowed that this "policy-based" lending does "not have the same problems as aid to a project, the building of a road, rural electrification, or a health facility. What you say to a government is, if you undertake the following measures, we will provide you with the following amount" of money.

Dr. Lancaster admitted that Africa is resisting these "adjustment policies," but termed that resistance futile. "The IMF has really become a major part of the African economies since the latter part of the '70s, when they started getting into trouble," she said. "And the IMF conditions have been rather difficult for the Africans to deal with. . . . It's not necessarily the IMF's fault. The system is not working in Africa. The Africans have been very critical of the IMF. I think it's a reaction in fact to being strangled, or being so dependent on the IMF for foreign exchange that they have to undertake policies which they wished they didn't."

Lundine recently introduced legislation authorizing the United States to subscribe to a capital increase for the World Bank and the International Finance Corporation.

Tip O'Neill 'impressed' by new Soviet leader

House Speaker Tip O'Neill (D-Mass.) spent the Easter congressional recess in the Soviet Union, where he and a group of other congressmen, including minority leader Robert Michel (R-Ill.), were courted assiduously by top Kremlin officials, from new Soviet leader Mikhail Gorbachov on down.

Gorbachov used the occasion to try out some typical Soviet propaganda on the delegation, telling them that the Soviet Union wants "very big reductions" in strategic and medium-range weapons. "But these objectives can only be obtained," he said, "if the United States gives up provocative plans of spreading the arms race to outer space."

He also complained that Washington had rejected the Soviet offer of a moratorium on SS-20 deployment "with incomprehensible haste." After this, he said, "one finds it hard not to doubt U.S. sincerity in Geneva."

O'Neill later told reporters he was "tremendously impressed" by Gorbachov, whom he likened to a tough, sharp American lawyer.

The Speaker hardly needed any convincing from the Russians: O'Neill has been one of the most outspoken opponents of American defense efforts, most recently leading the fight against funding for the MX missile.

O'Neill has not yet made any official statement on the trip, although he did meet with the President and Secretary of State Shultz to brief them.

His office reports that he and other members of the delegation are now drafting a formal report on their mission, which is scheduled for release in several weeks.

In March, O'Neill hosted a delegation of Soviet leaders headed by Politburo member Vladimir Shcherbitskii.

New 'Jap-bashing' measures proposed

The orgy of "Jap-bashing" in which Congress has engaged for the past few months continues unabated. On April 16, Sen. Don Riegle (D-Mich.) introduced a bill to create a Department of International Trade and Industry as an executive department of the government for the explicit purpose of waging trade war against Japan and any other country with the temerity to develop its manufacturing or agricultural-exporting capabilities.

In motivating his bill (S. 923), Riegle declared that Japan "is taking unfair advantage of our market while continuing to keep out American exports. But the real danger," he warned, "is that Japan is setting a course that others are following. Korea, Taiwan, and other newly industrialized nations are adopting the Japanese model. These countries are embarking on single-minded nationalistic policies aimed at a continual increase in exports, primarily to the United States."

Schiller Institute asks Congress to buck IMF

Two California-based leaders of the Schiller Institute have called for a national constituency mobilization to

ensure congressional action to withdraw U.S. support for the International Monetary Fund.

Ruth Stephenson of Los Angeles and Marion Hundley of Yorbalinda told a press conference in Huntington, W. Va. on April 18 that the Congress will take action against the Fund, if voters demand that the nation end its support for the genocidal "conditionalities" policies imposed by the IMF.

Ms. Stephenson reported on the anti-IMF sentiments recently expressed by Republican Congressman Robert Dornan of California's 38th C.D., against whom she ran for Congress in 1984, and GOPer William Dannemeyer of the state's 39th C.D. Stephenson and Hundley met with both congressmen during a Schiller Institute-sponsored day of lobbying against the IMF on Capitol Hill.

"We have informed Representatives Dornan and Dannemeyer of the starvation, mass misery, and epidemic disease sweeping across African and the rest of the developing sector due to IMF austerity policies," Ms. Stephenson said. "They have been informed that the IMF is carrying out a program of genocide 100 times worse than Hitler, and that the Fund intends to impose the same austerity restraints upon the United States which it now enforces upon the underdeveloped nations."

"Now, these elected officials, and the elected officials from other states, must hear a clear message of support from their constituents on this issue. Americans must barrage Congress with an outcry for an end of U.S. support for the IMF." The spokesman revealed that they had been supplied with a list of approximately 40 members of Congress who would back an anti-IMF resolution if they received sufficient popular support.