

## Congressional Closeup by Ronald Kokinda and Susan Kokinda

### If it's Monday, we must be overthrowing Freedonia

In view of the magnitude and diversity of congressional activity aimed at destabilization of U.S. allies at any one time, *EIR* will try to keep its readers as current as possible. This week's agenda includes South Korea and Saudi Arabia.

● South Korea: House Foreign Affairs Committee chairman Dante Fascell (D-Fla.) took to the floor of the House on March 12, to urge his colleagues to turn their attention from the Philippines to the "disturbing events" taking place in South Korea. Citing the Korean government's reaction to recent opposition party moves, Fascell fulminated, "These actions are but the latest in a series of repressive moves by the Korean government against its own people. . . . I realize that comparisons with the Philippines are not very appropriate for Korea. . . . However, one lesson does seem worth heeding: President Marcos lost his mandate to rule as he violated the rights of his people and frustrated their longing for democratic rule. . . . The United States simply cannot condone the continued abridgement of freedoms in Korea."

● Saudi Arabia: One of the KGB's top activists, Sen. Alan Cranston (D-Calif.) spearheading the congressional opposition to the administration's proposed sale of Sidewinder, Stinger, and Harpoon missiles to that Mideast nation. Cranston announced on March 11, that he will offer a resolution of disapproval of the sale. That resolution will be cosponsored by Senators Bob Packwood (R-Ore.), Alan Dixon (D-Ill.), N.Y.),

N.J.). Cranston has announced that he may also try to block the delivery this June of five AWACS radar-warning planes approved by Congress in 1981, after a bitter fight on the Senate floor.

In a revealing statement, Cranston attacked the notion that "U.S. interest in the Gulf region could best be secured by aggressively arming the Shah and the Saudis. Despite the fact that one pillar has fallen in Teheran and despite the actions of the Saudis in scorning basic American interests in the region," the United States continues its support for Saudi Arabia.

Clearly, Cranston is hoping that the second pillar will fall. He is showing himself to be a valuable ally of the KGB-Israeli Mossad alliance known as the Trust. He is also up for reelection in a state where Jewish support is crucial for a Democrat.

### Schumer backs '25% solution' to debt crisis

Representative Charles Schumer (D-N.Y.),

11 edition of the *New York Times*, attacked the Third World debt refinancing proposal of U.S. Treasury Secretary James Baker (the "Baker Plan") as "too little, too late." Schumer called for a solution to the Ibero-American debt crisis based on limiting annual service charges to 25% of the debtor nation's export earnings.

In the draft of the article originally submitted to the *New York Times*, Schumer had reportedly singled out positively the actions of Peruvian President Alan García, who has implemented a similar "10% percent solution."

In recent months, the likes of the

*Washington Post's* Katherine Graham have been trying to coopt García's initiative and blunt his leadership in the drive for financial reorganization. But the *Times*, closer to Wall Street, dares not even print the name of García. No mention of him or Peru appears in the published version of the Schumer op-ed.

Schumer, a member of the House Banking Committee, wrote that the banks should write off that portion of the debt that is "clearly unpayable"—as much as 30¢ on the dollar—and implement the "25% solution." Without the specifics of the 25% cap, Schumer had introduced an amendment, incorporating these ideas, to the International Monetary Fund reauthorization bill in 1983.

Apparently referring to the Schumer article, Treasury Secretary James Baker defended his own proposal at Senate Appropriations Committee hearings on March 12. "The people who have labeled it [the Baker proposal] a plan have missed the point. It is a principle, an initiative, or a concept, and I haven't heard of an alternative except writing down the debt, and that would only cause a serious 'hit' to our banks and the loss of some democratic countries in Latin America."

Congressman Schumer has represented a "realist" faction of the financial community, which is ready to cut its losses, in order to maintain ultimate control of the international financial system.

Schumer appears to be staking out the "left-wing" alternative to the Baker initiative. Similar ideas about debt relief were recently put out in a book called *From Debt to Development*, published by the Debt Crisis Net-

work—a conglomeration of left-wing groups such as the Institute for Policy Studies and Bread for the World.

## Melcher scores U.S. role in Philippines

Speaking at a forum on the Philippines organized by the Fund for New Priorities, Sen. John Melcher (D-Mont.) laid the blame for the economic problems of the Philippines, in part, at the feet of the U.S. government. Melcher lambasted the United States for not meeting its economic obligations to the Philippines and called on the United States to increase aid.

Much to the dismay of Rep. Stephen Solarz (D-N.Y.) and other attending congressmen and senators, who prefer to portray the economic problems of the Philippines wholly as an outgrowth of former President Ferdinand Marcos's "corruption," Melcher detailed the policy actions of the United States which helped disrupt the Philippines economy. Pointing at the crucial sugar industry, Melcher said: "Until 1982, the Philippines sugar quota was set at 27% of that imported into the U.S. In 1982 that quota was cut, practically in two. The mills and plantations connected to the sugar industry were set back drastically. We should correct that if we can. Furthermore, we imposed a duty on sugar which was entirely uncalled for. We don't do it to other countries, but we do it to the Philippines."

Melcher also reported that about \$450 million in U.S. aid to the Philippines is stuck in the pipeline. "These are funds that are due and payable. We carry obligations for base rent [for Subic Bay and Clark Airfield—ed.]. We

should recognize that that rent is a bargain, compared to the funds we distribute each year to Turkey and Greece and Spain."

Melcher could have made his audience squirm even more had he added that the U.S. aid policies were executed for the purposes of overthrowing Marcos.

In a 1985 interview with *EIR*, Senator Melcher had charged the International Monetary Fund with carrying out policies disruptive of the Philippines economy.

## Who's to blame for the crisis in Panama?

Joining Sen. Jesse Helms's (R-N.C.) bandwagon to destabilize Panama, Rep. Webb Franklin (R-Miss.) added to the flow of disinformation about that country currently clogging foreign policy channels.

On March 12, Franklin inserted into the *Congressional Record* an article from the Feb. 7 *Star-Ledger*, written by G. Russell Evans. The article begins: "When things go wrong in the Republic of Panama, the United States is often blamed. Recently, according to a foreign broadcast from Panama City, the U.S. State Department was charged with a 'seditious scheme' against the country, provoking internal problems, and 'discrediting' the military. But the problems were all generated by the . . . [Panamanian] Defense Forces through their implication in drug trafficking and murder of patriot, Dr. Hugo Spadafora."

The cited foreign broadcast was based on information from *EIR* on the State Department plot against Pana-

ma. The erstwhile "patriot, Dr. Spadafora," was actually a left-wing revolutionary turned right-wing gun-runner," who was probably murdered by the Nicaraguan "contras" for being a double agent (see *Feature*, p. 26).

## Strange bedfellows, Chapter 79. . .

On March 12, Sen. Bob Kasten (R-Wisc.) introduced S. Con. Res. 116, relating to the famine in Ethiopia and the government's resettlement policy. Kasten was joined by a mixed bag of both conservatives such as Orrin Hatch (R-Utah), Don Nickels (R-Okla.), and Chuck Grassley (R-Iowa), and liberals such as Mark Hatfield (R-Ore.), Carl Levin (D-Mich.), Dale Bumpers (D-Ark.), and Alan Cranston (D-Calif.).

This flurry of activity around the brutal policies of the government of Ethiopia has one fallacy of composition: It ignores the role of the International Monetary Fund in creating the continent-wide economic holocaust in the first place, and proposes nothing that would reverse the IMF's policies.

Among the groups cited by the "conservative" spokesmen, as on-the-ground experts in the matter, is Cultural Survival, a leftist anthropologist grouping which has profiled "native" insurgencies in Ibero-America, Africa, and the Philippines. Speaking in the House on March 11 and in the Senate on March 12, Rep. Toby Roth (R-Wisc.) and Sen. Paul Trible (R-Va.) cited Cultural Survival as authorities in the matter. Cultural Survival is supported by the international oligarchy, and Queen Margerethe of Denmark is its honorary chairman.