

Congressional Closeup by William Jones

Senate: Kissinger must reveal financial holdings

The "Kissinger Rider" to the State Department Appropriations Bill, S.B. 1160, passed the full Senate on July 21. The rider, sponsored by Sen. Jesse Helms (R-N.C.), specifies that members of the President's Foreign Intelligence Advisory Board (PFIAB) must fully reveal their financial holdings, to determine whether there is a conflict of interest between their personal finances and their government advisory post. Henry Kissinger is a prominent member of PFIAB, whose conflict of interest has been extensively exposed by this magazine.

The Senate version states, "In light of the sensitive nature of the responsibilities of, and the information provided to the President's Foreign Intelligence Advisory Board, it is in the interest of the United States for members of the Board to disclose fully each source of income and not be beholden to any foreign government and, as such, it is inappropriate for members of the Board to derive income from foreign governments or foreign government controlled entities.

"Not later than 30 days after the date of enactment of this Act, and every 180 days thereafter, each member of the President's Foreign Intelligence Advisory Board shall file with the Office of Government Ethics a full financial disclosure report, the contents of which shall include all information provided for in section 202 of title 5, United States Code."

Moynihan moves to strip presidential powers

The Senate adopted an amendment on July 17 submitted by Sen. Daniel

Moynihan (D-N.Y.) which would strip the President of some of his power to make foreign policy.

The measure, passed on a 57-42 vote, would criminalize any executive attempt to raise funds from private or third party governmental sources to accomplish a purpose barred by Congress. Violators would face up to five years in prison and fines. If a foreign government receiving U.S. aid should fund actions that Congress will not pay for, then aid to that country would be cut off. The White House has said it will veto the amendment.

Sen. Jesse Helms (R-N.C.) called it "a direct, explicit, and conscious attack on the separation of powers, and this is nothing less than an attempt by Congress to criminalize foreign policy." Helms said that it was "an attempt by Congress to usurp powers that belong to the President under the Constitution and the American system."

Conferees handle S&L bill behind closed doors

Congressional conferees working on the S&L package decided on July 18 to continue their work behind closed doors in the hope this would speed passage of the bill. The four Democratic and Republican heads of the Senate and House delegations will now attempt to thrash out the rest of the bill in closed session, and then attempt to win approval from the other conferees.

The conferees have reportedly reached agreement on all but a few of the more ticklish issues. The Senate, in accordance with President Bush's proposals, wants to raise the \$50 billion needed for the bailout with indus-

try bonds that wouldn't be included in the federal budget. The House is standing by its proposal to raise the cash with cheaper Treasury bonds, and exempt the spending from calculations to determine the federal budget deficit.

Putting the S&L bailout into the budget, which would require a waiver of the Gramm-Rudman amendment, is opposed by the administration.

The other major issue is whether S&Ls should be permitted to invest in high-yield "junk bonds." Banking analyst Alex Sheshunoff of Texas released figures which he claimed show that S&L investment in junk bonds poses a "mind-boggling" risk that could increase the already large taxpayer bailout of the industry.

Some conferees are attempting to remove all special provisions put in the bill by the Senate which benefit specific companies. They must also decide which federal agency would regulate state chartered S&Ls.

Congress demands more China sanctions

The Senate joined the House on July 14 in opposing the Bush administration's go-slow policy on China sanctions by passing a vote of 81-10, a resolution urging Bush to take further measures against the People's Republic of China.

The House resolution, passed unanimously by a vote of 418-0 on June 29, also calls for new sanctions against China.

The Senate resolution, passed as a Sense of the Senate amendment to the Department of State authorization bill, calls on Bush to review continuing Most Favored Nation treatment of the P.R.C.; for a review of "all bilateral

trade agreements between the United States and the People's Republic of China"; for the Export Import Bank to "immediately postpone approval of any application for financing United States exports to the P.R.C."; and demands that the Secretary of the Treasury and the U.S. executive directors of the appropriate international financial institutions "oppose the extension of loans or any other financial assistance by such institutions to the People's Republic of China."

The resolutions are considered a slap in the face to Bush's servile attempt to ease the pressure on the Chinese leadership.

Other amendments relating to China were also tagged on to the State Department Appropriations Bill. One, proposed by Sen. Jesse Helms (R-N.C.), calls on the Chinese government to lift martial law in Tibet and to release all political prisoners in Tibet. A second amendment, proposed jointly by Helms and Sen. Claiborne Pell (D-R.I.), says that China should refrain from "the use or threat of force in resolving Taiwan's future."

Wilson warns against SDI cuts

In floor comments on July 18, Sen. Pete Wilson (R-Calif.) warned of the devastating effects the proposed House cuts in the Strategic Defense Initiative would have on the future of the program.

Quoting from a letter he received from SDI Organization chief Gen. George Monahan, Wilson noted that "budget reductions from current levels may force both a delay in projects supporting an initial phase of a future strategic defense system, but an even

longer delay in projects which support follow-on systems. This outcome would also produce increasingly serious damage to the SDI program infrastructure."

With a 10% cut, Monahan noted, and with "the national work force currently planned for fiscal year 1990, SDI research may be reduced by 3,500 personnel."

At 70% funding, the "initial deployment would be delayed until well after the year 2000, with no provision for follow-on systems to offset Soviet countermeasures to the initially deployed system." In particular, "directed energy and advanced technology programs for follow-on systems would be fund-limited, rather than free to advance at the pace technology is developed."

Wilson noted that "should the Soviets deploy ABM defenses while we remain defenseless, that monopoly ABM capability could become an instrument of nuclear extortion in the hands of a Kremlin that holds both the sword and the shield."

The President has proposed an SDI budget of \$4.6 billion for fiscal year 1990. The House is threatening to cut that to \$2.8 billion, or about 60% of what the President has requested.

Marshal Akhromeyev 'suggests' more arms cuts

Bedecked in all his medals, Marshal Sergei Akhromeyev, Hero of the Soviet Union and top military adviser to Mikhail Gorbachov, addressed a jam-packed hearing of the House Armed Services Committee on July 20, attacking the Strategic Defense Initiative and calling for more disarmament measures.

Akhromeyev said that "creating the

national ABM system in the U.S. is a source of danger to peace in the world. We cannot agree to the assessments given by some of your politicians and ranking military officers of the impact of the creation of the national ABM system." He threatened that "if the U.S. ABM system, particularly its space strike echelon, is created . . . the signing of a treaty cutting strategic offensive arms by 50% would become inappropriate. The arms race in strategic weapons, including new types of weapons, would become inevitable, with all the negative effects for the entire world."

The Soviet general floated a new proposal, in the guise of "just voicing my own opinion." He called for "consultations between Soviet and American experts on the issue of possible agreements to limit or even reduce R&D work in the military field."

Akhromeyev added that the U.S. refusal to open negotiations with the U.S.S.R. on bilateral reductions of naval forces was of grave concern to the Soviets. "We are regarding this," he said, "as the U.S. desire, first to reach agreement with us on cutting the ground forces in Europe . . . and then to build up its naval forces without any constraints, especially its carrier battle groups, thus gaining military superiority in order to dictate its will to the U.S.S.R. from the position of strength."

When asked by committee chairman Les Aspin if Gorbachov had started the *perestroika* reform policy, or if it was initiated before him, as some have said, to strengthen the Soviet military, Akhromeyev responded coyly that the Soviets want to increase their "economic power," but decrease their military might. "We want a modern state, a powerful state" said Akhromeyev.