

Economic Policy

The overriding concern expressed on both the international and domestic fronts is how to reduce consumption, particularly of energy. Again, supranational structures are invoked as the most effective way of reducing the worldwide standard of living.

Charles Schultze, Carter's Council of Economic Advisors director, targets federal spending for maintaining standards of living in the U.S. "Developments in three major types of program explain almost nine-tenths of the growth in the ratio of domestic federal expenditures to

GNP between 1955 and 1977. (1) The rapid expansion of retirement, disability, and unemployment compensation was responsible for slightly more than half of the growth. (2) The introduction of new low-income assistance programs providing food, medical, and housing benefits to the poor, and the subsequent increase in both those benefits and the older cash welfare payments, accounted for 14 percent of the growth. (3) The introduction and the rapid expansion, especially between 1965 and 1970, of new social service and social investment programs contributed about 18 percent of the growth."

EXCLUSIVE

Blackmail Campaign Against Potential Carter Opposition In Congress

From its controlling position in the Carter administration the Trilateral Commission has already launched an extensive blackmail operation against a nascent grouping of conservative Congressmen from the South and Southwest who constitute its potential opposition. The campaign is being conducted through the Trilateral Commission's agencies in the Justice Department and Federal Elections Commission, and by self-styled "public interest" groups led by Common Cause with the aid of an experienced crew of Watergaters in the national press corps.

Under the rubric of a debate on the phony issue of "ethics", centering on the Obey Commission recommendations, such leading figures and key committee chairmen as House Majority leader Jim Wright (D-Tex.), conservative leader Sen. Barry Goldwater (R-Ariz.) (current minority leader in the Senate Intelligence Committee) and Sen. Russell Long (D-La.), (chairman of the Senate Finance Committee) have been targeted for political blackmail. Already during this session, Rep. Robert L.F. Sikes was successfully ousted from his post as chairman of the House Appropriations subcommittee on Military Construction, through the efforts of Common Cause.

The Congressmen under attack represent a grouping of constitutional forces representing industries such as oil and aerospace who could pose a serious threat to Carter were they to form as an organized bloc against de-industrialization. Evidence of their potential to wield power as a bloc is clear in the recent outcome of bi-partisan moves from conservatives in the Senate to "pack" key committees including Armed Services, Appropriations, Intelligence, Finance, Commerce and Judiciary, leaving only the Foreign Relations, Interior, and Banking committees to the control of known Carter backers.

Last week, the Justice Department signalled the new phase of attacks by leaking a story to the Washington Post detailing a meeting between Attorney General Bell and President Carter, where Bell allegedly assured Carter that "at least four to six indictments of past and cur-

rent Congressmen" would result from the Justice Department's investigation into Congressional dealings with the South Korean lobby. Bell's office subsequently issued a denunciation of the Post article, yet refused to deny its specific charges.

This method follows precisely the modus operandi of blackmail and innuendo used by the Justice Department since the investigation started; no fewer than 90 names of Congressmen under investigation have found their way into the press, yet the Justice Department denies releasing the information and refuses to clarify the situation. The objects of the mud-slinging campaign in this case include Rep. Edward Derwinski (R-Ill.), Rep. Clement Zablocki (D-Wis.) and Rep. William Broomfield (R-Mich.), as well as members of the Mississippi and New York delegations.

The House Ethics Committee, recently authorized to begin a similar investigation of Congressional ties to South Korean lobbyists, is itself under pressure to become an official watergating tool. After a raucous fight last session, the Pike Committee singled out House Ethics Committee chairman John Flynt (D-Fla.) for not having secured indictments against any Congressmen in the entire history of the committee. Flynt has since succumbed to pressure by hiring former Special Watergate prosecutor Locovara as chief counsel for the South Korean investigation. The Ethics Committee submitted an extraordinarily large budget for the current session — \$535,000 — which staff members predict will be used for several additional investigations.

The campaign launched against House Majority leader Jim Wright is the clearest attempt to bribe and blackmail Congressmen into accepting Trilateral control of its activities. As the Dallas Press points out in an article entitled "Might Makes Wright Target of Reporters," the Texan, who represents industrial interests including oil, was virtually unknown by the press until his surprise election to the top leadership post in the House. Almost immediately, the Washington Post and other Watergate

experts ran a series of articles terming Wright's "mixing of campaign and personal finances" "murky". The Post articles were an inflation of an interview Wright gave to the Fort Worth Press, and contained no substantive information regarding Wright's bookkeeping. According to an aide to Wright, the Congressman was "harassed by reporters" for two weeks until he refused further discussion to devote time to his job as House leader.

The so-called "issue" underlying the bulk of Watergating operations against Congress, that of a "code of ethics," was fully contrived and implemented through the efforts of John Gardner's lobbying group, Common Cause. In an interview with a Common Cause spokesman, the group both claimed credit for having "initiated the Sikes issue three years ago" and for introducing the Obey Commission recommendations. The recommendations, which include limiting Congressmen's "outside income" to 15 percent of their federal pay, place such stringent regulations on campaigning and other activity that virtually any Congressmen could be accused of breaking the regulations. The first Commission recommendation to pass in committee last week would create a \$5000 private office fund for each Congressman while making current usage of "unofficial" office funds illegal. The recommendation passed the committee vote at the same time that the full House voted up President Carter's pay raise "bribe." The full meaning of the recent call for "linking a pay raise to a code of ethics" was spelled out in an editorial appearing in the Feb. 3 New York Post; it stated that any Congressman who votes against the Obey recommendations will be "remembered" as a prime target for future investigations into Congressional corruption!

Common Cause, the self-described "grass roots organization" founded by John Gardner, is not only funded heavily by both John D. and Nelson Rockefeller, but actually serves as their personal watergaters on Capitol Hill. A staffer at Common Cause recently emphasized this function by reporting that former Watergate prosecutor Archibald Cox is the most likely candidate to replace John Gardner as chairman of the group.

Ann McBride, top Washington lobbyist for Common Cause stated that while the Congressional debate continues over the Obey Commission regulations, "the real battle — regulation of public financing of federal election campaigns" will begin. In preparation for this battle, the group intends to re-mold the Senate Finance Committee to expedite passage of stringent campaign legislation.

Their first plan of "attacking Russell Long (chairman of the committee — ed.) personally" was "unsuccessful" due to Long's willingness to fight back. This necessitated an alternate plan "to have the Democrats, especially freshman, reform the committee." Hence the well-publicized scramble to place Daniel P. Moynihan on the committee!

The campaign financing psywar began in the press early in the 95th session, with both the Jim Wright concoction and American Airlines' release of the names of 70 past and present Congressmen who were given contributions illegally in 1972. Under current law the figures named including leading Republicans and conservatives Gerald Ford, Rep. Barry Goldwater, Jr. (R-Cal.), Sen. John Tower (R-Tex.), Rep. Dan Rostenkowski (D-Ill.), and the late Rep. Hale Boggs (D-La.) did nothing illegal. However under the Obey Commission regulations, their receipt of the gifts would be made illegal. The continual press coverage of this dead story is only significant as blackmail material to hold over the heads of Carter's political opponents.

Sen. Barry Goldwater, the traditional spokesman for conservative Congressmen in the Southwest, is the object of a special attack. The Fund for Investigative Journalism, a project in psychological warfare created in 1969 by the Council on Foreign Relations, the Democratic Party, and the Institute for Policy Studies, has funded a team of 40 reporters to "investigate" links between Arizona politics and organized crime." For several weeks, the New York Times and other press conduits have "leaked" unspecified, so-called connections between Goldwater, his family, friends and business associates, and the Arizona mafia which vaguely involves "real estate." On Feb. 20, the New York Times Magazine featured a report on the status of the investigation, which targetted Goldwater and a close associate, Harry Rosenzweig, former Arizona chairman of the Republican Party. According to a spokesman for the Investigative Reporters and Editors, the group sponsoring the Arizona investigation, their official reports will be released in early March. They too predict indictments while refusing further comment.

The campaign to intimidate Congress and its leaders with outright blackmail and bribery is itself grounds for investigation and criminal prosecution. Members of Congress and their constituencies have the authority to demand an investigation into the Trilateral Commission's use of coercive measures to prevent Congress from doing its job.

Congress Punts On Warnke Nomination

Responsible Congressional forces refused this week to confront Jimmy Carter on the nominations of Paul Warnke and Admiral Stansfield Turner for the posts of chief disarmament negotiator and CIA director. In hesitating, they have given Carter more ammunition to use in the Trilateral Commission's drive for a dictatorship in the U.S. and war with the Soviet Union.

While the realization by the pro-industrial congressional opposition forces that Warnke and Turner

could now be taken on competently in the context of the controlled debate orchestrated by Senators Henry Jackson (D-Wash.), Sam Nunn (D-Ga.) and a host of Rockefeller right-wingers is a significant step forward in Congressional education, the failure to seriously contest the nominations represents an important tactical loss. The installation of Trilateral Commission member Warnke and Council on Foreign Relations member Turner completes Carter's Trilateral