

Congressional Closeup by Barbara Dreyfuss and Susan Kokinda

Hearings scheduled on hostage questions

Hearings will be held this month by the Senate Foreign Relations Committee on the hostage crisis. Committee sources indicate it will probably focus on the deal Carter negotiated for the release of the hostages. However, since committee chairman Charles Percy coordinated on a daily basis with Deputy Secretary of State Warren Christopher while Christopher was negotiating the deal with Iran, it is unlikely that Percy wants to allow any analysis of the illegalities of the agreements.

Percy, a leading member of the Council on Foreign Relations, has also had discussions with Senate Majority Leader Howard Baker. The two discussed steering any investigation away from how the Carter administration helped set up the hostage crisis.

The House Foreign Relations Committee will hold hearings in late February concerning the hostage crisis. The committee chairman, Clement Zablocki (D-Wisc.), agreed to the request of the committee's ranking Republican, William Broomfield (Mich.), for a "full airing of what occurred during the past 14 months."

Senate Armed Services Committee chairman John Tower (R-Tex.) is known to be eager to hold hearings on how the United States got into the crisis in the first place. Tower wants to focus particularly on the trip of General Huyser to Iran. Huyser, then a NATO assistant to Gen. Alexander Haig, had

been instructed to prevent Iranian military support for the besieged government, and in fact helped reinforce the mobs. Tower is being pressured by Senator Baker not to focus hearings "on past events."

The Senate Banking Committee Subcommittee on International Finance plans hearings in the middle of this month on the assets transfer Jimmy Carter negotiated with Iran and the authority under which Carter circumvented the rights of U.S. claimants.

Congressmen give backup backup against Iran deal

A number of senators and congressmen have taken action to give President Reagan full backup if he chooses not to implement the agreements Jimmy Carter negotiated with Iran. On Jan. 22 Sen. Dennis DeConcini (D-Ariz.) introduced a resolution, since co-sponsored by Senator Bob Dole (R-Kan.), which declares that "The Senate hereby expresses its support for the President in any determination he may make in refusing to carry out any obligations assumed by the United States in the declaration . . . or in the claims settlement agreement."

In a statement introducing the resolution, DeConcini declared "it is an established principle of our criminal and civil law that contracts entered into under duress have no validity—morally or legally. . . . I believe that the U.S. Senate should go on record clearly and unambiguously; we should tell the world and our new President that the agree-

ments are not legally and morally binding."

At the same time these two senators have co-sponsored legislation that would amend the Foreign Sovereign Immunities Act to allow American citizens to sue foreign governments in U.S. courts for breach of contract.

The legislation could, depending on interpretation, abrogate part of the Carter agreements. "Dole introduced it now because of its political significance," declared an aide to the senator. "We don't want Reagan to feel bound by the full agreement."

The bill will be referred to the Senate Judiciary Subcommittee on Courts headed by Dole.

Capitol Hill sources report that the senator will let it die if the administration presents good reason for implementation of all aspects of the Carter deal.

Rep. Elliott Levitas (D-Ga.) introduced legislation requiring the President to force Iran to apprehend the kidnappers of the Americans, to pay reparations to the U.S. government and the former hostages, and to satisfy the U.S. corporate and individual claims against Iran.

Buildup signaled on 'union corruption'

Senate Labor Committee Chairman Orrin Hatch (R-Utah) has established a new Subcommittee on Investigations and Oversight, chaired by GOP freshman Paula Hawkins of Florida. The ranking Democrat on the committee will be

Edward Kennedy, and chief minority counsel will be Walter Sheridan, the anti-Teamster Permindex operative, priming speculation that the subcommittee is intended to investigate "labor racketeering." According to the *New York Times*, Hatch has mentioned the Teamsters, Longshoremen, Hotel and Restaurant Workers, and Laborers Union as targets.

Despite their relegation to minority status, the Democratic staff of the Senate Permanent Investigations Committee, chaired by Georgia Democrat Sam Nunn, intends to go ahead with hearings on alleged corruption in the International Longshoremen's Association. In the next month, the staff will also release the results of last year's hearings on the Central States Pension Fund. Sources report that the staff has been told by Nunn to get in touch with the staff of the Labor Committee to coordinate review of labor unions. The Permanent Investigations chairman, William Roth (R-Del.), has made it clear that his focus will not be on labor, but on waste and fraud in government.

Don Edward (D-Cal.), the chairman of the House Judiciary Subcommittee on Constitutional Rights, will convene hearings early this month on whether the Civiletti guidelines were violated by the FBI in the Abscam and other undercover investigations. If the activity did not violate the guidelines, according to a subcommittee spokesman, the subcommittee will examine whether the guidelines ought to be changed.

Donovan acquits himself before Senate labor panel

In the second round of Senate Labor Committee hearings, the FBI testified that despite 1,400 man-hours of investigation by 68 agents, they were unable to turn up any evidence substantiating the charge by convicted murderer Ralph Picardo of monetary payoffs by Donovan in exchange for labor peace.

Following the FBI testimony, Donovan asserted, "I think Picardo is a pathological liar. . . . My attorney tells me that people who have seen him at other trials describe him as 'off the wall,' 'wacko,' and 'full of s---.'" Donovan refused to take a lie-detector test, saying it "would insult my dignity, insult the cabinet office of secretary of labor, and, I would hope, insult the American people in their sense of justice."

Kennedy asked Donovan why he thought these allegations were being made against him. "I'm from the great state of New Jersey," Donovan answered, "and if you're in the contracting business, you're indictable—if you're Italian, you're convicted."

Despite Donovan's Jan. 29 confirmation by the Labor Committee and certain confirmation by the Senate, Hill veterans noted that in the course of proving Donovan's innocence, Donovan and the Labor Committee were maneuvered into making strong statements about the need to root out "union corruption." They could now be forced to carry out Sheridan's vendettas to prove they are not "soft on labor extortionists."

Regan grilled by Senate committee

At Senate Appropriations Committee hearings Jan. 26, Treasury Secretary Donald Regan stressed that an across-the-board tax cut was the answer to the economic crisis. Senator Dennis DeConcini warned Regan that "I don't see how an across-the-board tax cut will ensure investment in capital intensive industries [or] will ensure an increase in productivity that we both want. Don't you have to do something to ensure capital investment and increasing productivity?" Regan insisted that a general tax cut would do the job.

Regan was also challenged by Republican leader Ted Stevens to act on behalf of lower interest rates. "We must get greater response from the federal government and the Fed; we have to get interest rates down," Stevens said. "I don't see how we can do what we have to do with interest rates far exceeding the rate of inflation."

Meanwhile, hearings began in the Senate Budget Committee Subcommittee on Industrial Growth and Productivity Jan. 26 to review the relationship between research and development and industrial growth. The first day of hearings focused on the electronics industry, with the subcommittee hearing abundant evidence that the U.S. does not have an adequate educational system to sustain industrial development of that industry, let alone an overall economic recovery based on developing new technology.