

Congressional Closeup by William Jones

Project Democracy attacked on House floor

The National Endowment for Democracy, the public side of the secret government operation known as Project Democracy, was attacked when the House considered an amendment to limit its funding on April 12.

The amendment to cut its authorized funding level was narrowly defeated 216-209. The opposition cut across party and ideological lines. Democrats, Republicans, liberals, and conservatives voted to freeze funding for the NED for varying reasons: some to cut the budget, others because the NED represents an unaccountable, nonconstitutional policymaking body.

Rep. Paul Kanjorski (D-Pa.), who introduced the amendment, said that he was "concerned that the activities of the National Endowment for Democracy have not yet been adequately reviewed to allow us to say with any certainty that the taxpayers' dollar is being spent prudently."

Rep. John Conyers (D-Mich.) specifically attacked the NED's funding of Project Democracy. "The Endowment has secretly supported an organization in France, one of the world's oldest democracies, actively opposing there the governing party. President Mitterrand was not informed that the U.S. taxpayers' money funded his political opposition and the group had publicized ties to an outlawed terrorist organization," Conyers said. "Prodemca also appears to have drawn the Endowment into one of the most serious public policy scandals in American history: the Iran-Contra affair. Project Democracy, supported and funded by the Endowment, was identified by the Tower Commission as part of the illegal Contra supply efforts, so the Endowment has repeated again its history of im-

proper involvement in foreign policy affairs, of the execution of policy outside the constraints of accountability and of the decision-making process determined by the Constitution."

Senate passes Bush's S&L bailout bill

The administration's bill on the savings and loan institutions passed the Senate April 20 in an overwhelming 91-8 vote. Three days of debate produced only minor changes in the bill that was approved by the Senate Banking Committee last week.

The bill represents the biggest bailout in U.S. history, mandating billions of dollars to cover losses of depositors' money at more than 500 insolvent institutions. The bill consolidates the country's two major deposit insurance funds, placing the savings industry's depleted fund—the Federal Savings and Loan Insurance Corporation—under the control of the Federal Deposit Insurance Corporation. It also takes away the independence of the Federal Home Loan Bank Board, the primary regulator of the savings industry, and places it under the supervision of the Treasury Department.

In spite of some opposition, the controversial chairman of the Bank Board, M. Danny Wall, was allowed to remain in his post.

The bill will now go to the House. Ultimate passage of the bailout is virtually certain, but House Banking Committee chairman Rep. Henry Gonzalez (D-Tex.) wants to include some of the Committee's own provisions. A Banking subcommittee lowered the capital level required to qualify for insurance. Gonzalez is urging the full committee to accept capital requirements even more stringent than those in the Senate proposal.

Lebanon cease-fire called for by Senate

The Senate passed Senate Resolution 108 on April 19, calling on President Bush to demand an immediate cease-fire in Lebanon, a withdrawal of all foreign forces, including all Syrian troops, and the abolition of all militias. The resolution represents a small but significant shift of sentiment against U.S. backing for the drug-pushing Syrian regime.

The resolution appeals to all parties in Lebanon to contribute to a process of internal reconciliation, and encourages international efforts to achieve that goal, including the intervention of the United Nations to secure a cease-fire. The resolution condemns any parties in Lebanon unwilling to heed the call.

Senate Majority Leader George Mitchell (D-Me.) said in his opening statement that Syrian presence on Lebanese soil is "clearly unacceptable." "The combination of the sectarian split and the meddling of foreign powers, could, I fear, lead to partition of the country and the end of Lebanon as a nation," Mitchell said. "This must not happen."

Senate Committee approves FY90 budget; House balks

The Senate Budget Committee gave its approval April 19 to a \$1.16 trillion budget for fiscal year 1990, which begins Oct. 1, 1989.

The 16-7 vote in the committee is the first step in the process of passing the budget which purports to cut the deficit for fiscal 1990 to \$99.4 billion, just under the Gramm-Rudman target.

Defense spending was heavily hit,

with \$4.8 billion cut from the original Bush proposal. Major cuts were also made in Medicare, \$2.6 billion; agriculture, cut \$2 billion down to \$15 billion; and veterans programs, reduced by \$700 million. Housing and commerce programs would also be cut \$2.2 billion, lowering them to \$18.1 billion.

Things are not going as smoothly on the House side, however. The House Appropriations Committee approved a \$4.7 billion supplemental appropriations "dire emergency" spending bill for fiscal 1989 on April 19. Passed by the committee in a 28-18 party-line vote, the bill provides increased funding for veterans, college student loans, anti-drug efforts, foster care and adoption, and \$100 million for the cost of increased immigration from the Soviet Union, Southeast Asia, and Africa. The White House had threatened a veto of the emergency bill if adopted.

Nunn, Aspin back Midgetman missile

House Armed Services Committee chairman Rep. Les Aspin (D-Wis.) and Senate Armed Services Committee chairman Sen. Sam Nunn (D-Ga.) both opposed President Bush's decision to exclusively develop the MX mobile missile. Nunn told Defense Undersecretary-designate Paul Wolfowitz at a Senate hearing that if Bush picks only one mobile missile, "it's going to be a very hard sell over here."

Aspin told Bush and his senior advisers at a private White House meeting that abandoning a second mobile missile program, the Midgetman, "would be a blow to chances for bipartisanship in national security and

more importantly to the chances" for a potential new U.S.-Soviet treaty reducing strategic arms.

President Bush had decided to scrap the truck-borne Midgetman mobile missile system, which costs approximately \$25 billion, for the cheaper alternative of deploying the existing 50 MX missiles on rail cars to be shuttled around the country to prevent their destruction in their silos in a Soviet first strike. The MX alternative costs about \$5.4 billion. National Security Adviser Brent Scowcroft is a strong supporter of the Midgetman program.

Wright targeted by ethics committee report

On April 17 the House ethics committee delivered its report on the investigation of the business dealings of House Speaker Jim Wright (D-Tex.). The report charges Wright with 69 instances of misconduct.

The ethics committee spent 10 months investigating the allegations against Wright raised by the radical House Republican Whip Rep. Newt Gingrich (R-Ga.), and Common Cause.

The committee decided that seven instances where income from bulk sales of Wright's book to special interest groups, were in fact honoraria "intended to avoid the limitations" on outside income. It decided that Betty Wright, the Speaker's wife, was receiving a salary from a company, Mallightco, formed by Wright and his businessman friend George Mallick, although "there was no evidence either supporting or establishing that the money paid to Mrs. Wright was in return for identifiable services or work

products that she provided to Mallightco, Inc."

The committee also found that Mallick had a direct interest in legislation, a finding which would be critical if confirmed, since members of Congress cannot accept more than \$100 per year in gifts from individuals with a direct stake in legislation.

The ethics committee now must decide whether to finalize the charges made in their first phase of investigations. If the violations are upheld, the committee must then recommend appropriate sanctions. These could range from a letter chastizing Wright, which would not require a vote of the full House, to a reprimand, a censure, or even expulsion from the House, which requires a full House vote.

The Wright case is more an attack on the institution of the House and its presiding officer, the Speaker, than an attack on an individual. Weakening of the constitutional forms of government in order to more easily impose brutal austerity is the underlying impetus behind the Wright so-called scandal.

Wright has promised he will fight the charges to clear his name. Support for Wright is strong, although not omnipresent among Democratic congressmen. Fellow Texas Democrat and strong Wright supporter Rep. Jack Brooks, the chairman of the House Judiciary Committee, was outraged by the "Get Wright" campaign. "They tried to kill Tip O'Neill and they're trying to kill Jim Wright," said Brooks. "You would have thought he had shot four nuns in a church."

Wright, speaking before the AFL-CIO's Building and Construction Trades Department said again, after publication of the report, that he wanted to "confront the allegations face to face" and rebut the charges that he broke House rules.