

Congressional Closeup by William Jones

Senators 'soft' on Clinton nominees, says Armev

Rep. Richard Armev (R-Tex.), chairman of the House Republican Conference, admonished Republican senators for letting Clinton nominees for cabinet posts slip by without a critical look, in comments at a luncheon with editors at the *Washington Times*. The reason they treated them with kid gloves, Armev said, was that "a lot of these senators are so afraid of the press labeling them as mean-spirited and obstructionist."

Armev is calling for a more aggressive posture toward the Clinton administration, and he urged Republicans to work together on economic issues.

Return to Hamiltonian policies, says Gonzalez

Speaking on the floor of the House on Jan. 25, House Banking Committee Chairman Henry Gonzalez (D-Tex.) called for a return to Hamiltonian credit policies, pin-pointing the "independent" nature of the Federal Reserve as the source of the country's fiscal problems.

In formulating the Bank of the United States, Gonzalez said, "Alexander Hamilton did brilliant work. He took a country that was in extreme debt. He took a government that said, 'We will assume the debts of the states in the Revolutionary War,' and had no money. And he worked out a beautiful system that did work. In fact, it enabled us to proceed fairly successfully until the late 20th century."

Gonzalez referred to Lincoln's attempts to regain control over monetary policy. "He could see the forces that were coming in and taking over, as they always are," said Gonzalez. The problem, he indicated, was the control of credit. "A banker creates money.

He creates credit and that was the issue from the very first. Who is going to control the allocation of credit in our society? That is the whole question."

The Federal Reserve was supposed to be the fiscal agent of the U.S. Treasury. "But it is the other way around now. It [the Fed] is the one that is coining and printing our bills, not the Treasury," he said.

U.S. dollar bills used to say "U.S. Treasury note," Gonzalez pointed out, but now there are only Federal Reserve notes. And the Federal Reserve "is a creature of the commercial banks who compose it. And it has gotten so almighty and powerful—independent is the word they use—that the Congress that created it has no control over it." Gonzalez warned that, unless the situation were changed quickly, the country would be "doomed."

Opposition to 'gays' in military is strong

There is little support in Congress for Clinton's promise to overturn a ban against homosexuals in the military, Defense Secretary Les Aspin indicated in an interview on "Face the Nation" on Jan. 24. In a memo to Clinton leaked to news agencies, Aspin proposed a six-month period in which lifting the ban would be worked out with the Joint Chiefs of Staff. He warned that if Clinton signed an executive order lifting the ban, Congress would likely vote to restore the ban.

"The point you've got to understand," said Aspin, "is that as a practical matter we are not going to be able to force this down the throat of the Congress. If the Congress doesn't like it, it isn't going to happen." He added, "The votes in the Congress, if it comes to it, are overwhelmingly against it."

Senate Majority Leader George

Mitchell (D-Me.) has indicated to Clinton that there are no more than 30 senators in favor of removing the ban. There is even less support in the House, although few members want this to come to a vote, putting them on record. "Congress would rather let the Executive branch and the Joint Chiefs of Staff work it out, if at all possible, said Rep. George "Buddy" Darden (D-Ga.), a member of the House Armed Services Committee.

Aspin has been trying to get the military to agree to some plan, warning that the courts could end the ban. On Jan. 25, Clinton met with the Joint Chiefs for "consultations," which were described as "respectful, frank, cordial, honest."

Senate Armed Services Committee Chairman Sam Nunn (D-Ga.) is also concerned about the Clinton policy. "If there is a strategy there," said Nunn, "it hasn't been explained to me. . . . I think something is fundamentally flawed when the men and women in the military have an issue that is vital to them, that affects them, and they never have been heard from." Nunn has scheduled hearings on the issue in March. Senate Republicans are preparing a bill which would keep the ban in place.

Gonzalez urges Clinton to release BNL documents

House Banking Committee Chairman Henry B. Gonzalez (D-Tex.) called on President Clinton to facilitate release of documents requested by the committee from the White House and several federal agencies concerning government involvement in the scandal surrounding the Banca Nazionale del Lavoro, in a letter to Clinton on Jan. 22. The BNL, among other charges, allegedly funneled credits to

Iraq before the Persian Gulf war.

At the behest of the Bush White House, these agencies had refused to turn over classified documents to his committee on the pretext that Gonzalez had harmed national security by placing some classified documents related to the Bush administration's pre-war policy toward Iraq into the *Congressional Record*.

In comments on the House floor on Jan. 25, Gonzalez indicated that the campaign against FBI chief William Sessions launched by the outgoing Attorney General William Barr was partially due to the cooperation Sessions had given his committee in its investigation.

Clinton's proposed energy tax creates uproar

Interviewed on "Meet The Press" on Jan. 24, Treasury Secretary Lloyd Bentsen indicated that the Clinton administration is considering a "broad-based energy tax." If applied throughout the energy industry, as Bentsen suggested, such a tax would include the oil and gas, natural gas, electric utility, coal, and nuclear power industries. On Jan. 26, Clinton hedged, saying that "no decision has been made" on the tax.

Reactions from Capitol Hill were immediate. "These taxes are inherently unpopular," warned Sen. Sam Nunn (D-Ga.) "I think there are a whole lot of questions to be addressed, and only the President can make that case."

Republicans attacked Clinton for breaking his campaign pledge for a middle-class tax cut. "It took less than one week in office for the Democrats to abandon a middle-class tax cut and replace their campaign pledge with a tax increase on everyone—for the

poor, the middle class, and the wealthy," charged House Minority Whip Newt Gingrich (R-Ga.)

The Republicans want, instead, concrete budget cuts. "From a standpoint of getting our cooperation on the Republican side, to come out first boldly for tax increases without any kind of talk about how we're going to reduce the expenditure side, gee, that just drives our people up the wall," commented House Minority Leader Bob Michel (R-Ill.).

An energy tax will face an uphill fight. "The lobbying community would probably eat it alive," warned Rep. Robert Matsui (D-Calif.), a member of the House Ways and Means Committee.

Outrage against Serbian genocide is growing

Rep. Steny Hoyer (D-Md.), the outgoing chairman of the congressional Commission on Security and Cooperation in Europe, introduced on Jan. 21 a House Resolution calling for measures to stop Serbian genocide. It calls for lifting the arms embargo on Bosnia and seeks enforcement of the U.N. no-fly zone by a multinational coalition. It demands that irregular forces in Bosnia either withdraw or be subject to the authority of the government of Bosnia-Herzegovina, or be disbanded and disarmed with their weapons placed under effective international monitoring. The resolution also calls for the use of military force, if required, to effect the delivery of humanitarian aid; to ensure unimpeded access to camps, prisons, and detention centers in Bosnia-Herzegovina; and the establishment of an international war crimes tribunal to bring to trial those responsible for war crimes.

"I believe that we can not remain

on the sidelines while brutality of such unspeakable proportions ravages a people in our own backyard," said Hoyer. The resolution has over 90 sponsors in the House. A similar resolution has been introduced in the Senate by Sen. Dennis DeConcini (D-Ariz.).

At hearings on Jan. 26, Rep. Frank McCloskey (D-Ind.) blasted the Vance-Owen negotiations with the Serbians in Geneva as worse than Neville Chamberlain's appeasement of Hitler. Calling U.N. negotiations, sanctions, and peacekeeping "not adequate to deal with genocidal Serb aggression," McCloskey said that the aggression both "defies the will and conscience of the world," and "threatens our national security, which remains tied to the well-being of Europe and to the credibility of the U.N., NATO, and the CSCE.

"Genocidal Serb aggression cannot be stopped by diplomacy," McCloskey warned. "It is fueled by a virulent nationalism that has much in common with Nazism, that has about as much in common with legitimate Serb interests as Nazism did to German interests, and that responds to diplomacy much as Nazism did." The negotiations have given Serb nationalists "18 more months to murder and rape. . . . Geneva offers only the illusion of a peace process. This illusion plays into the hands of the Serb aggressors, betrays their victims, lulls western publics into a false sense of hope and security, and fuels further Serb aggression." In fact, McCloskey explained, Vance and Owen were worse than Chamberlain, since he appeased Hitler before the war and the Holocaust, not after it had become known.

Witnesses at the hearings reported on systematic mass executions and use of rape by the Serbians to demoralize and brutalize the Muslim population and to force them to abandon their territory.