Congressional Closeup by Barbara Dreyfuss and Susan Kokinda

Food bill could seriously affect development

Senator Mark Hatfield (R-Ore.) led a floor discussion on Oct. 16 of his Hunger Elimination and Global Security Act (S. 1975), a bill which could seriously imperil the already limited funding for industrial and infrastructural development done through various aid programs. Hatfield began by announcing that 20 more Senators of both parties have joined the three original co-sponsors.

The legislation would require that whenever food aid is given, the recipient nation detail measures to route it to the "most needy"; that multilateral development banks adopt requirements to give more than half their aid to the "most needy;" that food security reserves be established in poor nations; and perhaps most important, that U.S. bilateral aid be available only to nations emphasizing "basic human needs," with 50 percent of U.S. aid going to the "most poor."

While it might be argued that the bill merely ensured that aid is not frittered away, to the key authors of the bill the point is channelling money away from economic development programs, such as industrial plant construction and irrigation, under the guise of feeding the poor. The bill was the product of a group called Bread for the World, whose board includes Hatfield himself and such liberal anti-growth institutions as Amnesty International. "We want to focus lending on projects helping the poor, not overall economic development" declared a staff member of Bread for the World.

As Hatfield told the Senate during the discussion: "There are those who approach the hunger problem from a population control perspective." Senator Mathias (R-Md.), though not himself a co-sponsor of the legislation, declared that Hatfield has his full support, and called on the Reagan administration to immediately review the Carter Global 2000 document calling for reducing the world's population by 2 billion by the year 2000.

Hatfield intends to introduce legislation Oct. 26 that would establish a Population Office in the executive to coordinate budget policy with population control.

New hearings on population control?

Sources at the Committee for the Year 2000, the elite group of former government officials and prominent citizens who back the *Global 2000 Report*, say that they are working through contacts in the House Energy Committee to set up hearings on the need for a coordinated U.S. government population policy of zero population growth world wide.

The Committee sources say that the chief counsel for the Energy Committee, Frank Potter, is trying to arrange hearings in the Oversight and Investigations Subcommittee chaired by Rep. John Dingell (D-Mich.) on what is termed "foresight capability" in the Global 2000 documents. The hearings will feature legislation already introduced by Rep. Richard Ottinger (D-NY), the Population Policy Act of 1981. Committee Counsel Potter, a member of the Club of Rome and a policy adviser to the Aspen Institute for Humanistic Studies, is a former aide to the New York Congressman.

Thurmond criticizes waterways policy

In a surprising break with the Reagan administration, Strom Thurmond (R-S.C.), chairman of the Senate Judiciary Committee, criticized the administration's proposal to have individual ports recover dredging costs locally through user fees on port traffic. Because small and medium-sized ports have lower volumes of traffic, they would have to charge more than large ports, said Thurmond in a floor statement Oct. 14, noting that the administration's bill, S. 809, would "be absolutely devastating to nearly all but the very largest ports and would be especially damaging to port authorities in the Southeast."

Perhaps most striking was Thurmond's criticism of the administration for breaking from a path set by the Founding Fathers that the federal government does have a critical role to play in fostering the country's economic development. The administration's bill, said Thurmond, "does not adequately consider the historical role of the federal government in maintaining a national system of navigation channels for international trade and defense purposes.

Thurmond's alternative to the administration's plan is a uniform, national port user fee, which would still be a serious impediment to shippers. In co-sponsoring the Waterways Transportation Development and Improvement Act of 1981 (S. 1586) which calls for such a uniform fee, however, Thurmond hopes to use the bill as the basis for working out a compromise on the issue. Both bills are still before the Environment and Public Works Committee.

Subcommittee seeks solutions to high rates

The Subcommittee on Tax, Access to Equity Capital and Business Opportunities of the House Small Business Committee held hearings Oct. 15 to seek effective ways to bring interest rates down. Committee Chairman Henry Nowak (D-N.Y.) insisted in announcing at the hearings that "the Administration and the Federal Reserve Board must take immediate action to dramatically reduce the current level of interest rates."

Dr. Jack Carlson, Executive Vice President for the National Association of Realtors, M. Eamonn McGeady, representing the U.S. Chamber of Commerce, and Frederick Napolitano, President-elect of the National Association of Home Builders, all testified with their well-worn line that reduced budget deficits through budget cuts and tax cut deferrals, and a less restrictive monetary policy on the part of the Fed, were the solution. Carlson also added that "a secondary, consistent interest rate target range, such as 13 to 16 percent for short-term rates" was actually a desirable.

One witness, Joe Cobb, Director of Economic Analysis for the Council for a Cooperative Economy, audaciously attacked those very funders of agricultural, home-building and small business loans that the Committee is desperately trying to save. "The small, protected banking industries in those states that forbid branch banking, that lobby in their state legislatures [against banking deregulation], are the real enemies of every other small businessman in the United States," Cobb raved. "Our financial system is fatally flawed, with a defect that goes back to the founding of the Republic. . . . [The belief] that a sovereign power must have a monopoly of its currency; and that to facilitate the exercise of this sovereign power, a government must have a central bank." As Cobb called for total deregulation of the entire U.S. banking system, Nowak rhetorically asked, "How does Japan do it? . . . they allocate and compete extremely well on the international markets." Nowak added that this is an important question that the Committee should consider.

Key GOPers back 'Bob Strauss Memorial Pipeline'

Several influential Republican Senators have been maneuvered into supporting changes in the Alaska Natural Gas Transportation System which will soon be yielding hefty returns to former Democratic National Committee Chairman Bob Strauss and Carter money man, John McMillian. On Oct. 19, Senate Majority Whip Ted Stevens (R-Alaska), Energy Committee Chairman Jim McClure (R-Ida.), Frank Murkowski (R-Alaska), and Scoop Jackson (D-Wash.) announced the introduction of S.J.R. 115, which would endorse the President's decision to waive certain provisions governing the construction of the natural gas pipeline from Alaska.

At issue is the fact that the company building the pipeline, the Northwest Alaskan Pipeline Company—owned by McMillian and represented in Washington, D.C. by Bob Strauss—needs changes in the legislation establishing the Alaska Natural Gas Transportation Act in order to obtain additional financing to complete the project.

The changes include: allowing Exxon, Atlantic Richfield and Sohio (British Petroleum) to buy up equity in the project (currently prohibited for Alaskan natural gas producers), and allowing consumers to be billed for costs of the pipeline *before* its completion.

In his floor statement, Senator Jackson noted that "the banks told us categorically that they would be unable to raise funds for the project" unless they received the waivers.

The necessity for these waivers in the existing law stems from President Carter's 1977 decision to choose the most expensive of three proposed natural gas delivery systems.

Added to this was the cost of "environmental safeguards" imposed by Canada's Northern Pipeline Agency head, Mitchell Sharp, a member of the Trilateral Commission.

With the Carter decision a fait accompli, President Reagan and his Senate supporters have determined that the waivers must be put into effect or the U.S. will not have access to Alaskan natural gas. Both houses of Congress must approve the resolution within the next 60 days for it to go into effect.

Now, after being walked into this corner by Jimmy Carter, Bob Strauss, et al. the Reagan administration will probably find itself the target of accusations of bailing out "big business," made by the very environmentalist movement deployed and funded by the Trilateral Commission and by multinational companies such as Arco and Exxon.