#### Congressional Closeup by William Jones

# Pressure builds on Speaker Wright

The financial affairs of House Speaker Jim Wright (D-Tex.) continue to be the subject of scrutiny by the House Ethics Committee. A serious blow to Wright's case came as two Democrats joined with the six committee Republicans in ruling that the benefits provided by Wright's longtime friend George A. Mallick were gifts that should have been disclosed by the speaker.

Acting behind closed doors, the committee reportedly voted that Wright accepted those gifts from someone with a direct interest in legislation, and that Wright had bypassed House limits on outside income through bulk sales of his book *Reflections of a Public Man*. The committee is expected to announce its preliminary findings as early as April 14.

If the committee later finds that Wright should be reprimanded, censured, or expelled, the issue would go to the House floor, which might doom Wright's chances of remaining speaker. Wright's lawyer, William Oldaker, told House Democrats on April 12 that he expects the committee to accuse Wright of about 30 violations of House rules.

Wright held an emotional press conference on April 13, and insisted that he had not violated any "rules nor any commonly accepted standard of ethical conduct." He promised to fight the allegations, saying that the committee was elaborating and applying new rules retroactively.

# Senate approves 'whistleblower' bill

The Senate voted on April 5 to authorize rewards of up to \$250,000 to in-

dividuals who "blow the whistle" on fraud by government contractors. By a vote of 82-16, senators agreed to give the U.S. Attorney General discretion to pay rewards to persons who provide information relevant to a possible fraud prosecution.

The bill, sponsored by Sen. Howard Metzenbaum (D-Ohio), was approved Feb. 23 by the Senate Judiciary Committee and reported on March 13. Sen. Dale Bumpers (D-Ark.) proposed a motion which would delete the reward provision, but this was tabled 55-43.

"In the ideal world," Metzenbaum said, it should not be necessary to offer incentives to people to "ferret out fraud." But, he added, "we live in a real world, and until contractor fraud is wiped out, we must use every tool available, including, in selected cases, incentives to informants."

# Senate-Bush fight looms on minimum wage

The Senate on April 12 approved a Democratic plan to raise the hourly minimum wage by \$1.20 to \$4.55 an hour over the next three years, but fell short of the votes necessary to prevail in what threatens to become the first veto confrontation between Congress and President Bush.

Under a compromise designed to win the support of conservative Democratic southerners, the Democrats accepted the concept of a lower "training" wage for new workers for the first time, but sharply limited its application.

After adopting the Democratic plan, the Senate voted 58 to 41 to reject a Bush-backed alternative to raise the minimum wage floor to \$4.25 and allow employers to pay a lower "train-

ing wage" at 80% of the minimum to any newly hired worker for the first six months of employment.

Bush, who pledged to support a minimum wage increase during his campaign, has refused to compromise on the issue and has threatened to veto any legislation that goes beyond his proposal—a position which the White House reaffirmed after the Senate vote on the bill.

# **B**ush nominees facing Iran-Contra problems

Information released during the trial of Oliver North has begun to cause problems for a number of Bush administration nominees who still face confirmation by the Senate.

Michael Ármacost, the third-ranking official in the Reagan State Department, nominated by Bush as ambassador to Japan, was questioned by the Senate Foreign Relations Committee concerning a meeting which he allegedly attended on Feb. 7, 1985, in which the Reagan administration decided to reward Honduras for helping the Nicaraguan contra rebels. The reports stem from a 42-page government "statement of facts" released in the North trial.

Armacost denied participating in that meeting, and also denied that he negotiated in August 1985 with David Kimche, a top Israeli official whom he met with regularly, to continue that country's military aid to political forces in Ibero-America.

The Foreign Relations Committee delayed a vote on the Armacost nomination and that of John Negroponte as ambassador to Mexico. Negroponte, who was ambassador in Honduras from 1981 to 1985, was pivotal in winning Honduran support for the

8 National EIR April 21, 1989

Contra program. The vote was delayed because members want to examine whether Negroponte was involved in the 1985 decision to offer "enticements" to Honduras.

According to the Washington Post, Sen. Alan Cranston (D-Calif.), chairman of the Foreign Relations Asia Subcommittee, suggested to Secretary of State James Baker that the administration reconsider the nomination of Donald Gregg as ambassador to South Korea, since evidence from the North trial raised new doubts about Gregg's truthfulness and past assertions that he did nothing illegal or improper in his contacts with North and other Iran-Contra figures.

The Bush administration is so far sticking with the Gregg nomination.

Agreement near on austerity budget

Administration officials and congressional negotiators are in the process of reaching an agreement on the budget for the next fiscal year. The agreement will supposedly set the stage to reduce the budget deficit by \$28 billion for fiscal year 1990.

According to the Bush administration, this would meet the deficit limit of \$100 billion set by the budget balancing law. About half of the spending reductions would come from cuts in Defense, meaning that military spending in the next fiscal year would be slightly less than the administration requested, and domestic spending slightly more.

A large share of saving in domestic areas would result from changing the rules of government entitlement programs like Medicare and farm support payments previously written into law. Medicare costs would be about \$2.5 billion lower than they would be without the changes, a smaller reduction than was sought by the President.

#### Congressman asks probe of LaRouche trial

Rep. Henry Gonzalez (D-Tex.), chairman of the House Banking Committee, has asked that the House Judiciary Committee hold hearings on the court procedures in the trial and conviction of political activist Lyndon LaRouche. The congressman's request came in a letter to Rep. Don Edwards (D-Calif.), chairman of the Judiciary subcommittee on Civil and Constitutional Rights, on Feb. 22.

"I am writing in regard to the trial, conviction, and appeal of Mr. Lyndon LaRouche and to ask you to hold hearings to investigate this matter," Gonzalez wrote.

Gonzalez said that he did "not agree with Mr. LaRouche's political philosophy, nor do I condone his tactics," but said, "I am concerned about the court's actions in this case."

"The actions of the court merit review. Under our system, a person's political philosophy no matter how repugnant is not cause for denial of due process. While the court may not have intentionally reacted to Mr. La-Rouche's politics in denying bail, the appearance of impropriety merits investigation. We have no protection against the abuse of governmental power, if even one person is subject to persecution for their political views."

Representative Edwards replied on March 1 that the committee did not have the resources to investigate an individual case, and could not involve itself in pending litigation.

### NDPC demands inquiry into Horton role

The role of Buster Horton, the Department of Agriculture official who both served on an elite task force which had a responsibility to "Get La-Rouche," and was also the foreman of the jury which convicted Lyndon LaRouche in Alexandria, Virginia, was raised by the National Democratic Policy Committee in testimony to the House Appropriations Commerce, Justice, State, and the Judiciary Subcommittee on April 12.

NDPC representative William Jones urged Congress to "do what it must to ensure a thorough investigation, house cleaning, and, where appropriate, prosecution of those responsible" within the Department of Justice for the massive government misconduct in the LaRouche case.

Jones also outlined Judge Albert Bryan's failure to allow voir dire questioning by the defense of prospective jurors, which prevented the defense from learning who Horton was until after the trial. Jones underscored the seriousness of the civil rights violations by pointing out that former Attorney General Ramsey Clark, an opponent of LaRouche on many political issues, is now serving as lead attorney for him and his six imprisoned associates, on their appeal.

"The misconduct is ongoing," Jones warned, "which is clearly shown by the recent verdict of a Virginia court against 36-year-old Rochelle Ascher, a LaRouche associate, to 86 years in prison for alleged securities fraud. Eighty-six years! Not even mass murderers are receiving those kinds of sentences, and this for political organizing. Something is seriously wrong in the functioning of our judicial system when such atrocities are allowed to occur."