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U.S. HOUSE OF REPRESENTATIVES COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS

ONE HUNDRED SECOND CONGRESS

2129 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, DC 20515-8060

May 1, 1992

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(202) 225-4247

Mr. Richard N. Haass
 Senior Director for Near East
 and South Asian Affairs
 National Security Council
 Old Executive Office Building
 17th Street & Pennsylvania Ave., N.W.
 Washington, D.C. 20520

Dear Mr. Haass:

The Committee on Banking, Finance and Urban Affairs will hold a hearing on the National Advisory Council on International Monetary and Financial Policy (NAC) and its role in approving the FY 1990 \$1 billion U.S. Department of Agriculture (USDA) Commodity Credit Corporation (CCC) program for Iraq.

The Committee has documents showing that the Near East and South Asian Affairs section of the National Security Council (NSC) was involved in the decision to approve the FY 1990 \$1 billion CCC program for Iraq as well as the Department of Agriculture's administrative review of the BNL scandal. The Committee respectfully requests that you testify regarding these topics on May 21, 1992, at 9:30 a.m. in Room 2128, Rayburn House Office Building.

The Committee would like you to address the following questions in your written testimony:

1. Under what authority did the NSC staff become involved in the decision to grant CCC credits to Iraq?
2. Under what authority did the NSC staff become involved in the decision to grant CCC credits to Iraq?
3. Please explain the NSC's rationale for supporting a \$1 billion FY 1990 CCC program for Iraq.
4. What role did National Security Directive 26 (NSD-26) play in the NSC's decision to support the FY 1990 CCC program for Iraq?
5. How did creditworthiness concerns affect the NSC's decision to support the FY 1990 CCC program for Iraq?

6. How did Iraq's human rights record affect the NSC's decision to support the FY 1990 CCC program for Iraq?
7. What influence did the Banca Nazionale del Lavoro (BNL) scandal have on the NSC's position related to the FY 1990 CCC program for Iraq?
8. Please explain the NSC's involvement in the USDA administrative review of the BNL scandal.

Please feel free to add any additional comments that you may have on the above topics.

Banking Committee rules require your written testimony to be made available to Members of the Committee twenty-four hours in advance of a hearing. Accordingly, please deliver 200 copies of your written testimony to Room 2129 Rayburn House Office Building by 9:30 a.m., May 20, 1992.

Thank you for your time and consideration of this request. The Committee looks forward to your testimony.

With best wishes.

Sincerely,


Henry B. Gonzalez
Chairman

HBG:dk