

Congressional Closeup by Ronald Kokinda

Minimum wage boost to be considered

House and Senate Democrats are preparing legislation to raise the national minimum wage. Hearings in the House are expected to take place this summer. Legislation could be acted upon by fall.

Three bills, H.R. 79, H.R. 649, and H.R. 659, respectively, introduced by Reps. Mario Biaggi (D-N.Y.), Henry Gonzalez (D-Tex.), and Gerald Kleczka (D-Wis.), have already been introduced into the House.

Sen. Edward Kennedy (D-Mass.), chairman of the Labor and Human Resources Committee, is also drafting legislation. Kennedy is giving it top priority.

On Feb. 10, House Education and Labor Committee Chairman Rep. Augustus Hawkins (D-Calif.) took a special order in the House for extended discussion on the matter of the minimum wage in order to highlight the issue. It was pointed out that the last increase, in 1981, raised the minimum wage to \$3.35 per hour. Today, that represents a 26% real decline, meaning the lowest minimum wage level since 1955.

Rep. Pat Williams (D-Mont.) said that the annual salary for full-time employment at minimum wage levels was \$6,968. "This is one-fifth below poverty level for a family of three, and one-third below the poverty level for a family of four."

The Kleczka bill would raise the minimum wage to \$4.35 per hour in two 50¢ steps (Jan. 1, 1988 and 1989), which he says would make up for inflation for the last six years. The Biaggi and Gonzalez bills take a slightly different approach: indexing the minimum wage to 50% of the average hourly wage in the private sector. Currently, that would mean a minimum

wage of \$4.33 an hour, which the Biaggi bill would implement by March 1, 1991. Biaggi's office acknowledged the danger that, if current job-creation trends were to continue, the minimum wage could actually decline, since most new jobs are at the lower end of the pay-scale.

A Hill source said he "couldn't imagine the administration allowing any more" than roughly a dollar increase. Ironically, one of the major arguments used against an increase in 1981, that it would fuel inflation, is a lesser argument now.

The AFL-CIO is a big backer of the bill. Secretary of Labor Bill Brock, who is urging Republicans to cultivate AFL-CIO endorsements, has not decided where he stands on the issue, but several Hill sources report little opposition from the administration so far.

Bentsen 'competitiveness' bill: same old trade war

Senate Finance Committee chairman Lloyd Bentsen (D-Tex.), along with Sen. John Danforth (R-Mo.), and 54 other Senators, introduced his trade bill on Feb. 5. For all the "competitiveness" hoopla, the bill offers little more than the old prescription of trade war measures.

The bill would mandate that the President take retaliatory measures, including tariffs or quotas on imports, against U.S. trading partners in Western Europe and Japan (and others) under two circumstances: if the International Trade Commission determines that a U.S. industry has been injured by unfair competition, and if the U.S. trade representative decides other countries are imposing "significant and unjustifiable" trade restrictions on U.S.

exports, and are lax in efforts to reduce their trade surpluses with the United States.

Several senators, including Don Riegle (D-Mich.), have indicated they will attempt to amend the bill to ensure tougher protection, while Sen. Bob Packwood (R-Oreg.) is opposed to the protectionist aspects.

The bill requires the President to submit a detailed statement on trade policy, to include positions on exports, import sensitive industries, international economic coordination, and developing countries. The bill leaves to the President the power to conclude "fast track" trade agreements.

The only seemingly positive approach is a provision requiring industries seeking import relief to submit a plan to the ITC, outlining how they intend to become more competitive. Such a plan "may address" issues of capital investment, capacity utilization, automation, labor policy, market strategy, and management innovation. The ITC could grant the relief based upon a "reasonable expectation" that the industry could "successfully compete" after relief was granted. Otherwise the ITC could recommend that resources be transferred "to other productive purposes."

The real problem, of course, is trade partners' foreign debt and IMF conditionalities. A spokesman for the Joint Economic Committee, however, said he doubted that Congress would consider more than mandating a regulatory study on obstacles to bank write-off of Third World debt—the main reason for U.S. export declines. The spokesman said he was "surprised" that the recent Vatican statement on debt has not yet been entered into the *Congressional Record*, and that while no one has expressed an

interest in Peru's 10% solution, someone might. Peru's 9% real growth figures are "quite impressive," he said.

Hollings: Let's reinstate the draft

Sen. Ernest Hollings (D-S.C.) and co-sponsor Sen. Steven Symms (R-Id.) have introduced a bill to reestablish universal military conscription—the "draft."

"The great need of the hour is . . . willpower," Hollings said in introducing the bill, S. 445, on Feb. 3. "We lack credibility. If it is strength that must be shown the Soviets in order to obtain arms control, a universal draft will get them to take notice. . . . A President's commitment counts for little unless it reflects the commitment of the people."

Hollings pointed out that a crucial factor which must be considered is "the size and strength of U.S. reserve forces and our capacity for rapid mobilization." Our reserves are under strength, he noted, while the Pentagon has shown "relatively little concern . . . about a mobilization capability."

"It is the sponsors' wish that President Reagan use the draft to build up to and sustain a reserve force and capability that meets our mobilization need," he said. "That is the minimum that is required, and it is required as soon as possible."

Hollings attacked the high cost of the volunteer army which would grow worse as 17- to 21-year-olds are declining from 11 to 9 million between 1980 and 1992. He also called a professional army "un-American," and called it a civil wrong to rely upon the poorer and minority sections of the population.

Finally, he scored the "civilianization" of the military that has oc-

curred to keep the Army "content and happy in peacetime." "Turning the Army into a microcosm of the office down the street does not suffice. Defending America is not a 9-to-5 job. . . . Defense is everybody's business."

Biden, Levine move to curb military exports

Senator Joseph Biden (D-Del.) and Rep. Mel Levine (D-Calif.) introduced the Arms Export Control Act on Jan. 29, S. 419 and H.R. 898, which could drastically curtail the export of U.S. military equipment.

The bill would change current law in two respects. First, arms sales would be divided between sensitive and non-sensitive categories, with congressional review required only for the former—arms destined for nations outside of preferred allies. The bill would give the nations of the Camp David accords, Israel and Egypt, a preferred status.

Second, a majority of Congress would have to approve the sale. Currently, a sale can proceed unless it is disapproved by a two-thirds majority in both House and Senate.

Included in the category of sensitive hardware are turbine powered aircraft; missiles and anti-aircraft artillery and associated control, target acquisition, and electronic warfare equipment and software; all combat-designed helicopters; main battle tanks; and submarines and ships down to "destroyers and auxiliary warships."

Biden, Levine, and other sponsors are incensed about the sale of military hardware to Jordan and Saudi Arabia, especially, and pointed out that a sale to Jordan last year survived a presidential veto only after the administra-

tion decided not to include Stinger missiles.

The administration and defense industry are mobilizing to kill the bill, fearing loss of exports and influence abroad.

McClure outlines new Soviet SALT violation

"The United States government has just received strong evidence that the Soviet Union has exceeded and violated the main numerical sublimit of the SALT II treaty," Sen. James McClure (R-Id.) announced on the Senate floor Feb. 5.

The detection of five SS-24 rail-mobile, MIRV'd ICBM launchers, which "the Soviets have reportedly not adequately compensated for . . . by dismantling MIRV'd ICBM silos," puts them at 822 launchers and over the MIRV'd launcher SALT II sublimit of 820 launchers.

Lest anyone lay this at the doorstep of the U.S. decision to abandon SALT II, McClure pointed out that "this Soviet violation occurred in early October 1986, well over a month and a half before the United States exceeded a SALT II sublimit."

McClure noted that these Soviet launchers are "heavily camouflaged and concealed," and suggested that "many more" launchers are "even now covertly deployed" among over 1,000 Soviet railway tunnels along the rail system where they "can be concealed and remain survivable." Each SS-24 launcher has a reload and refire capability which "would double or triple the SS-24 force."

"A U.S. return to SALT II compliance now . . . would be nothing less than U.S. unilateral disarmament," McClure said.