

Congressional Closeup by Ronald Kokinda

Fight expected over raising debt ceiling

A major battle is shaping up over demands to raise the national debt ceiling, this time by May 15, in order to allow the Treasury and U.S. government to continue to borrow to finance the federal budget deficit.

Whether enacted by Congress by the deadline or not, the fact that this political brawl will be taking place in the context of worsening international economic conditions, can only accelerate a financial blowout. If rejected, the U.S. government will default on its debt obligations, setting the stage for either a recovery policy, or a deeper depression.

The biggest part of the controversy will revolve around a replay of the Gramm-Rudman-Hollings balanced budget fight. Senate backers of this law will attempt once again to reinstate the automatic budget-cutting provisions of the law, but changing the procedure of the automatic cuts so as to overcome Supreme Court objections to the previous mechanism.

In the House, there is no guarantee that a rise in the debt ceiling could be passed.

The Reagan administration, nervous about the difficulty, has asked Congress to expedite action. The House Ways and Means Committee, chaired by Rep. Dan Rostenkowski (D-Ill.), which has jurisdiction, held a hearing on April 30 with Treasury Undersecretary George Gould as a witness. "The expiration of the temporary debt ceiling triggers disruption of Treasury financing immediately and a subsequent cash default on May 28, in the absence of new debt limit legislation," Gould warned.

One of the questions Rostenkowski wants answered is how much pres-

sure the White House will bring to bear to line up Republican votes behind the measure, and whether the White House will fight to dampen the Gramm-Rudman-Hollings initiative. Gould stated, "We do not support adding provisions that could imperil prompt passage of this urgently needed debt extension." Before the hearing, Rostenkowski's staff said that there had been no indication yet of White House intent, and many members remained uncertain of whether they will fight to bypass the Gramm-Rudman debate.

Defense hit in Senate Democratic budget

The first indication that the Democratic-controlled Senate will slash the defense budget even more harshly than the Republicans have for six years, came as the Senate took up consideration of the budget proposed by the Senate Budget Committee, chaired by Sen. Lawton Chiles (D-Fla.).

The Democratic proposal is a \$1 trillion FY88 budget, which includes \$11.5 billion in new taxes, and leaves a deficit of \$108 billion, using Reagan administration budget assumptions, and \$134 billion using Congressional Budget Office assumptions. New defense authorization is set at \$289 billion, a sum which does not even cover inflation. "In the real world, if you're going to have deficit reduction, you have to reduce something," Chiles said in defending the proposal.

Opponents failed to derail the budget by a vote of 50 to 46 on April 29, losing an effort to force the budget to stick within Gramm-Rudman guidelines, using the less favorable economic assumptions. They then

failed to derail the proposal by a 50 to 49 vote, with four Democrats joining all Republicans with the exception of Senator Lowell Weicker (R-Conn.).

"I think this budget turns its back on defense," said ranking Budget Committee Republican Sen. Pete Domenici (N.M.). "It will take us back to the days when we had a hollow Army and ships that couldn't sail."

The action on the budget flew in the face of the Senate Armed Services Committee, which is reportedly preparing \$303 billion in defense spending authorization, including \$4.5 billion for the Strategic Defense Initiative, behind closed doors. Senate Republicans are still hoping to win over enough Democrats to get more for defense, which would mitigate what western state senators charge is a bias against their region of the country.

As a House delegation led by Speaker Jim Wright (D-Texas) returned from Moscow singing the praises of Gorbachov, the House continued slashing defense by passing H.R. 1827, making supplemental appropriations for FY87 on April 24 by a vote of 208 to 178. It mandated the President to stay within the SALT II arms-control limits, and prevented nuclear tests over one kiloton in yields, provided the Soviets do the same.

Symms proposes Soviet eviction from embassy

Sen. Steve Symms (R-Idaho) introduced Senate Joint Resolution 120 on April 30, to force the Soviets to vacate their new embassy grounds in Washington, D.C.

The resolution, which has the binding force of law, directs the President "to void the embassy agreements

signed in 1969 and 1972 which allowed the Soviet Union to construct a new embassy at Mt. Alto, approximately 350 feet above mean sea level and the second-highest land site in D.C.," Symms said. It would also direct the President to negotiate a new embassy site "not more than 90 feet above mean sea level (approximately the elevation of the U.S. Capitol.)"

At a press conference the day before atop a hotel across the street from the new embassy, Symms and a security specialist in electronic surveillance pointed out that the "line of sight access" which the site provides would allow the Soviets "interception of any electronic signal generated either by a bona fide transmission or by a secondary transmission," e.g., typewriters, computers, telephones.

Senate Majority Leader Robert Byrd (D-W.V.) praised the bill and asked to be added as a cosponsor, raising hopes that the Senate might be able to act early in May.

The initiative came as the Senate Intelligence Committee unanimously recommended that the U.S. embassy building in Moscow be demolished and rebuilt, because it would likely never be made secure against Soviet espionage. The committee said it might take two to five years just to assess the extent to which the building is compromised. The committee also said that the Soviet leadership should be notified of a U.S. intention to "negotiate a new set of construction agreements that meet our security requirements," and that the Soviets should leave their embassy in D.C. until the issues are resolved.

The House International Operations Subcommittee meanwhile voted on April 28 to subpoena State Department communications regarding han-

dling of the embassy construction in Moscow, after the State Department was found to be withholding documents promised. Foggy Bottom called the subpoena "outrageous," and compliance is in doubt.

Burton: 400,000 are already dying of AIDS

Rep. Dan Burton (R-Ind.), who has introduced legislation for annual, national mandatory screening of the American population for the AIDS virus, spoke on the floor of the House April 29 to warn that there are not 40,000 people dying of AIDS in the United States, as is claimed by the Atlanta Centers for Disease Control, but 400,000.

"When you get the AIDS virus, it gets into your system and it gets into all your body fluids, your spinal fluids, and brain fluids. It immediately starts destroying your brain tissues," Burton said. People "are suffering from brain deterioration that is believed to be related to the AIDS-related complex (ARC), 10 times as many people as have full-blown AIDS have this mental disorder or deterioration taking place as a result of the AIDS virus, which means we do not have 40,000 people dying from AIDS; we probably have 400,000 dying from AIDS right now, because of the brain disease killing these people. It does not manifest itself as full-blown AIDS; it just causes deterioration of the brain, until they die or become mentally disabled, and it ultimately leads to complete dysfunction and death."

Burton presented extensive references from medical professionals to debunk the assertion that AIDS could not be casually transmitted. He warned

that there is the potential of insect transmission, and that if the virus mutates like the bubonic plague once did, it could be transmitted by respiratory secretions and coughing.

Burton urged quick action on his bill to get universal testing underway. "The entire human race is at risk with this disease if we do not get on with" measures to contain its spread.

Gephardt amendment approved for trade bill

The Gephardt amendment to the trade bill, H.R. 3, which would require U.S. retaliation against nations that refuse to reduce their trade surpluses with the United States, passed the House by a razor-thin vote of 218 to 214 on April 29.

The amendment, sponsored by Rep. Richard Gephardt (D-Mo.), would mandate 10% annual reductions in the trade surplus of foreign nations, if the President failed to negotiate such reductions after 18 months, and dollar for dollar retaliation against nations which refuse to remove their trade barriers to U.S. products. To abrogate the reductions, the President would have to declare it a matter of vital national economic interest.

Although it would affect trade with West Germany, Taiwan, South Korea, Italy, and Brazil, the amendment is especially aimed at Japan, and was passed just as Japanese Prime Minister Nakasone arrived on a visit to the United States.

It is doubtful that the provision will make its way into final legislation, as the Senate is strongly opposed, and the White House holds the threat of a veto.