

Congressional Closeup by William Jones

The Soviets begin to renege on INF agreements

On April 27, the *New York Times* reported that a rift had occurred between American and Soviet officials concerning treaty verification procedures. The Americans charged that the Soviet Union backed away from some of its verification obligations under the accord during recent technical talks over how verification was to be put into effect.

The specific question was whether the Americans would be allowed to look inside Soviet structures and vehicles big enough to conceal small rocket stages, but not large enough to hide entire SS-20 medium-range missiles. The Americans insist that they won this right during the hectic final hours of treaty talks, when treaty negotiators were rushing to meet the deadline of the Reagan-Gorbachov summit. Maj. Gen. Vladimir Medvedev, a Soviet negotiator of the agreement, claims that this right was not granted.

Differences also cropped up concerning inspection rights outside the Soviet missile-assembly installation at Votkinsk, and over how much access American inspectors should have to other Soviet facilities.

During the talks, the Russians initially insisted that they should be able to look inside American structures that could hide individual rocket stages, since the Pershing II missile is transported in such stages and assembled on its launcher. They argued that the Americans should not have similar rights, as the Soviet SS-20 missile is transported as a complete missile in canisters. U.S. negotiators rejected this argument and demanded reciprocity.

American officials claim that the Russians finally agreed and that the American view is therefore supported by the treaty's inspection protocol.

The Soviet back-pedaling, even before ratification discussions have begun in the U.S. Senate, has served to strengthen the skepticism concerning Soviet willingness to live up to the agreements which they so eagerly signed. That air of doubt on Capitol Hill has contributed to the slowing down of the pace of the ratification process, and may help to derail the treaty entirely.

Can Gorbachov sign the INF treaty?

A juridical problem is brewing which may cause more problems for the INF treaty. Mikhail Gorbachov, in his position as General Secretary of the Communist Party, is not an official head of the government. The head of the government is Andrei Gromyko, and under international law, treaties must be signed by heads of state. Leonid Brezhnev turned over a written statement from the Supreme Soviet authorizing him to sign the 1972 SALT I arms treaty and the ABM treaty. According to one Foreign Relations Committee aide, "This could make the INF Treaty null and void. The treaty may need to be re-signed and then new hearings would be required."

Democratic senators move to delay ratification

Sen. Robert Byrd (D-W. Va.) together with the chairmen of the three committees dealing with the INF treaty, Sen. Sam Nunn (D-Ga.), Sen. David Boren (D-Okla.), and Sen. Claiborne Pell (D-R.I.) held a press conference at the end of April to present four outstanding questions which have to be resolved before the INF treaty can be ratified.

Senator Byrd said that he would

delay bringing the INF treaty to the floor until May 11, during which time the administration must present a written agreement with the Soviets on the question of "futuristic weapons." If such an agreement is not forthcoming by May 11, Senator Byrd may further delay calling up the treaty. The senators say that they want to ensure that the Soviet Union will abide by the same futuristic weapons ban as the administration.

Furthermore, Senator Nunn said that he wanted to know exactly what type of futuristic weapons were to be included in the treaty. Senator Boren, chairman of the Senate Intelligence Committee, wanted a precise definition of what was considered a "weapon" in the treaty, as that is decisive for what may and what may not be mounted on INF-range missiles.

Senator Boren has also had problems concerning the funds necessary for assuring adequate verification of the treaty. According to government sources, the surveillance improvements requested by Senator Boren would require about \$500 million in the coming fiscal year, and \$5 billion to \$6 billion spread over the next five to six years. The White House had apparently agreed to Senator Boren's request, although nothing has been done to meet those requirements. Senator Boren has threatened to filibuster the new treaty unless the White House requests this money.

The many question marks concerning the treaty and the initial phases of Soviet balking on INF requirements bodes ill for the treaty. Even though the administration is willing to bend over backward to push the treaty through the Senate, INF ratification is beginning to look more and more like a lost cause. As a recent *New York Times* editorial laments, "If the Senate does not approve the treaty before the Reagan-Gorbachov summit meeting, it's likely not to happen under Presi-

dent Reagan—and then perhaps never.”

Committee probes Drexel Burnham securities violations

The House Energy and Commerce Committee continued its investigations into Drexel Burnham's "junk bond" operations. Although junk bond manager Michael Milken invoked his Fifth Amendment right not to testify, Drexel Burnham's chief executive officer, Frederick H. Joseph, did not. Mr. Joseph testified before the committee on April 29, defending his firm against allegations that its junk bond department repeatedly shortchanged its bond-buying customers in order to enrich its employees.

His arguments did not seem very convincing to the panel members. As Rep. Dennis Eckart (D-Ohio) expressed it to Joseph, "The public perception is that what you have done doesn't pass the smell test."

Much of the day's questioning concerned dealings by the so-called insider accounts in Drexel-managed offerings by Textstyrene Corp. and the Beatrice Cos. unit of BCI Holdings Corp. Partnerships, including Drexel employees, bought more than \$235 million in Beatrice's April 1986 offering of notes, according to the subcommittee. Within three months, the partnerships had resold \$44 million of those notes for a profit of about \$2.2 million. Certain Drexel institutional customers couldn't get all the bonds they wanted to buy, even when Drexel employee partnerships were getting big blocks of bonds. In other instances, Drexel paid higher prices when repurchasing junk bonds from its employees than when buying from outside clients.

Committee Chairman Dingell (D-Mich.) said that there may be viola-

tions of securities regulations and laws governing underwritings, particularly rules governing "hot issues," i.e., those which are in great demand by investors.

Bill on AIDS passed by Senate

After a heated debate on the Senate floor, the AIDS Research and Information Act was passed 87-4 on April 28. The bill authorizes \$685 million for AIDS research and education, an amount vastly insufficient considering the magnitude of the spread of this deadly epidemic.

The most heated debate concerned an amendment proposed by Sen. Jesse Helms (R-N.C.) in which funds would be withheld from programs that "promote or condone" homosexual behavior. The amendment was approved 77 to 23, although Senator Kennedy was able to counter it with an amendment which said that the government would not restrict the ability of any AIDS education program to "provide accurate information" about the risk of AIDS infection, thus creating a bone of contention for future interpretation.

Amendments were also approved which called for mandatory AIDS testing for all persons convicted of drug- and sex-related crimes and, in a rather ambiguous formulation, banned programs giving clean needles to drug addicts to combat the spread of AIDS "without the approval of the surgeon general."

Another very significant amendment proposed by Sen. William Armstrong (R-Colo.), stipulates the withholding of funds from any state or local government entity which "requires, encourages, or permits any health care facility within the State to deny nutrition or hydration to any eligible individual who has been duly

admitted to that health care facility." The amendment was passed, after some debate, 60-36, although here again, Senator Kennedy (D-Mass.) succeeded in adding a proviso which would place this measure under review by the congressional Biomedical Ethics Board.

Nevertheless, an important clause against euthanasia was included in the bill.

This is the first comprehensive legislation on AIDS passed by the Congress. The rapid spread of the AIDS disease in ever newer variants will, however, soon reveal that the insufficiency of the funds allotted and the nature of the compromises of which the bill consists are totally inadequate for dealing with undoubtedly the most dangerous disease mankind has ever faced.

House rebuffs permanent ban on ASAT testing

In heavy partisan debate over the Defense Authorization Bill, the House rebuffed the Democratic leadership on an arms control vote on Thursday, April 28, narrowly defeating an effort to permanently prohibit testing of an anti-satellite weapon. The House did, however, by a vote of 214 to 186, approve a one-year ban on virtually all tests of nuclear weapons, as long as the Soviet Union also refrained from such testing.

The Senate version of the defense bill differs from the House version in some key areas. The Senate measure would provide \$4.55 billion for SDI, compared to \$3.5 billion in the House bill. The Senate bill contains \$700 million for the mobile MX, compared to \$500 million in the House bill, and a mere \$50 million for the Midgetman, compared to \$500 million in the House measure.