

Congressional Closeup by William Jones

House panel wants S&L bailout on-budget

In spite of the pleading of Treasury Secretary Nicholas F. Brady before the House Ways and Means Committee on May 9, the committee voted 25 to 11 to keep the bail-out of bankrupt savings and loans institutions on-budget. Supporters of the vote say that putting the plan on-budget will save taxpayers as much as \$4.5 billion over 30 years.

For the administration, the decision will force cuts elsewhere in the budget, in order to meet the requirements of the Gramm-Rudman law.

Secretary Brady called the vote a "mistake," warning that "if adopted, this action could force us to go back to square one on both the budget and the savings and loan plan. . . . It could mean months of stalemate." If the action passes the House and Senate, it would increase the budget deficit over the next three years by \$50 billion.

That's not the only problem facing the Bush bailout plan. One official of the Federal Home Loan Bank Board, which regulates the industry, said the agency would soon report that almost \$8.5 billion was withdrawn in April, primarily because of higher interest rates in the money market funds. According to the *New York Times*, since November the industry has lost almost \$4 billion in deposits, raising concerns that the industry contribution to the bail-out will be significantly less than the White House projected.

Congress wants more say over deal with Japan

Sen. Robert Byrd (D-W. Va.) has introduced an initiative which would give Congress a more active role in

the U.S.-Japan FSX fighter project. The proposal would significantly increase the role of the Congress in monitoring agreements negotiated by the Executive Branch.

Administration officials voiced no immediate objections to the Byrd proposal, although they stressed that they were looking at it for the first time. The Byrd stipulation would require that "no less than 40%" of the work on the project be given to American companies and that the United States get at least 40% of the work in supplying spare parts as well.

Other proposals, such as the resolution put forward by Sen. Alan Dixon (D-Ill.) and Sen. Alfonse D'Amato (R-N.Y.) would stop the deal altogether. Some lawmakers are planning to introduce an amendment which would ban Toshiba Corporation from participating in the project. A branch of Toshiba was earlier accused of selling banned goods to the Soviet Union.

Secretary of Defense Richard Cheney was on the Hill on May 10, testifying in favor of the bill, which he said was advantageous to the United States both militarily and economically. Later in the evening, at a speech at the Center for Strategic and International Studies, Cheney emphasized, "We asked the Japanese to enter into that agreement, they didn't ask us. . . . The option was that the Japanese would go it alone."

Nevertheless, some senators are rattling their rhetorical sabers. Sen. Jesse Helms (R-N.C.) denounced the Japanese insistence on building their own fighter plane as "pure protectionism." "They skinned us many a time," said Helms. "They skinned us real bad in December 1941, and they are skinning us with the FSX."

The Senate Foreign Relations Committee voted 9-8 on May 10 to

support the agreement with Japan. The deal is now being debated on the Senate floor. In order to kill the deal, both houses of Congress would have to vote against it and then override a virtually certain presidential veto by a two-thirds majority, an eventuality which is deemed highly unlikely.

Congress to consider resolution on Lebanon

On April 25 a resolution was introduced in the House which called on the President to act against the present Syrian genocide in Lebanon. The resolution, introduced by Rep. Edward Feighan (D-Ohio) urged the President

1) to call for an immediate ceasefire among the parties in Lebanon and the removal of all foreign military forces and disbanding of all paramilitary forces;

2) to urge all parties in Lebanon to respond to the international call for an immediate ceasefire and to undertake immediate discussions regarding internal reconciliation;

3) to support international efforts, including appointment of special emissaries by the U. N. Secretary General and the League of Arab States, to work with the parties in Lebanon to implement a ceasefire and start a process of internal reconciliation; and

4) to support actions to encourage the fulfillment of the constitutional mandate to elect a new President in Lebanon.

Senators pressed Bush on 'global warming' hoax

On May 9, senators from both parties pressed President Bush to reverse the administration's decision not to seek

an international convention to deal with alleged "global warming." In a letter to the President, Sen. John Chafee (R-R.I.) said that such a convention proposal, which is supported by both the EPA and the State Department, could be one of the "bold new initiatives" that could "bolster your reputation as an environmental President."

The idea of the Bush administration taking the initiative on the issue was initially rejected by White House Chief of Staff John Sununu as premature.

In a separate letter, circulated by Sen. Albert Gore (D-Tenn.) and signed by 12 Democrats and one Republican, Sen. John Heinz of Pennsylvania, the administration was urged to join other Western powers in supporting a global warming convention. Administration sources said that the proposal was strongly opposed by the Energy Department and other agencies that fear it will result in restrictions on fossil fuels, which release carbon dioxide.

The whole issue was highlighted when it was revealed on May 8 that the written testimony of James E. Hansen, director of NASA's Goddard Institute for Space Studies, had been changed by the Office of Management and Budget in order to make it conform to administration views. The Hansen testimony, which helped fuel the debate about the "greenhouse effect," had been augmented by a paragraph which weakened Hansen's conclusions by calling current computer models unreliable. "My only objection [to that alteration]," said Hansen, "is being forced to change the science."

This gave rise to caustic comments from congressmen on administration policy. Sen. Timothy Wirth (D-Colo.), one of the authors of a "green-

house" bill, commented, "George Bush said in the campaign he wanted to fight the greenhouse effect with the White House effect. We may be getting a little bit of the whitewash effect."

Apparently succumbing to the pressure, President Bush on May 11 offered to host a "global workshop" in Washington in the fall to prepare for later negotiations on an international treaty to limit the alleged problem (see *National News*).

Negotiators agree on \$1.17 trillion budget

Senate and House negotiators agreed on May 11 on a \$1.17 trillion budget for Fiscal Year 1990, a spending plan that puts serious constraints on Pentagon spending, among other things. The budget claims to leave a deficit of \$99.7 billion.

In one of the many compromises on the budget, the Senate agreed to drop a provision that would have guaranteed \$1.1 billion for public housing subsidies. The spending plan allows \$299.2 billion in defense spending, which is \$44.2 billion less than the amount needed to keep up with inflation. An additional \$17 billion would be spent on foreign aid.

Both houses are expected to give final approval to the document next week.

House approves minimum wage bill

On May 11, the House approved 247 to 172 legislation raising the hourly minimum wage from \$3.35 to \$4.55 by 1991. This threatens to bring the

first major domestic policy showdown with President Bush, who has threatened to veto the measure. The vote followed brief debate.

"What we consider today is a matter of elemental fairness," said House Speaker Jim Wright (D-Tex.). "It goes to the heart of what our country is all about." House Democrats who have been pushing the \$4.55 figure against the objections of the administration, which doesn't want it to surpass \$4.25, probably do not have the two-thirds vote necessary to override the inevitable veto.

Both sides are working to draft post-veto battle plans.

Burton warns millions could die of AIDS

Rep. Dan Burton (R-Ind.) commented in the House floor debate on May 4 that millions of Americans will die, if the present rate of increase of AIDS cases continues unabated.

"In 1989 so far we have had 10,452 new cases in the first three months alone," said the congressman, "which means that if that percentage continues through the end of the year, we will have seen more than a doubling of the people dead or dying of AIDS since 1987."

Burton called for a routine testing program to find out exactly how serious the problem is. "We have no idea how many people are infected with the disease today. There are many people that think it is transmitted in ways that have not yet been admitted to by the CDC. Those things need to be uncovered. We need to find that out, and we are not going to be able to find it out until we have a testing program," he said.