

Congressional Closeup by Carl Osgood

DeLay yes-men surround Speaker

A profile of House Speaker Dennis Hastert (R-Ill.) published in the March 1 issue of *Roll Call*, suggests that the new Speaker is being steered from behind the scenes by Majority Whip Tom DeLay (R-Tex.). Hastert was not only chief deputy whip in the last Congress, but at least three former DeLay staffers are part of Hastert's inner circle. One of these, Scott Hatch, DeLay's top floor assistant in the 105th Congress, was the architect of Rep. Tom Davis's (R-Va.) winning campaign to take over the National Republican Campaign Committee. Davis also is said to be close to Hastert.

Because of Hatch's close working relationship with all three, and his control over the GOP's electoral strategy and fundraising operations, he is expected to be a key player in the 106th Congress.

Miller moves to stop Marianas labor abuses

On Feb. 11, Rep. George Miller (D-Calif.) re-introduced his bill from the last Congress that would impose Federal minimum wage, labor, and immigration standards on the Commonwealth of the Northern Marianas Islands (C.N.M.I.). The bill immediately gained 48 co-sponsors, all Democrats. In a statement issued a week later, Miller said, "I want to work with U.S./C.N.M.I. officials to improve the working and living conditions of the over 30,000 foreign contract workers who live on Saipan. But we have not seen any substantial improvement. After 13 years of promises of reform, unemployment among C.N.M.I. residents today is almost three times that of the rest of the United States, worker abuse claims continue to rise, the con-

tract labor system and recruitment scam continue unabated, and the local government has failed to act."

Both Miller's bill and the Democratic bill to raise the minimum wage to \$6.15 per hour, face concerted opposition from the GOP. House Resources Committee Chairman Don Young (R-Ak.), before he departed Saipan on Feb. 21 with a Congressional delegation, announced that he would block any legislation to impose Federal standards on the Commonwealth. He expressed confidence in its Gov. Pedro Tenorio and the Marianas legislature to continue with needed reforms, but also warned them of the consequences if they failed. "I am somewhat resentful of the U.S. administration," he said, "trying to change the Covenant [that brought the Marianas into the United States], as it is written without due process, negotiation, or discussion with the people of the C.N.M.I." He also said that he has no plans to hold hearings on imposing Federal standards on the Marianas.

Aging panel wants 'pain' in Social Security plan

Treasury Deputy Secretary Larry Summers was grilled by the Senate Special Committee on Aging on March 1, and conceded that President Clinton's plan to save Social Security makes "tough choices." Committee Chairman Charles Grassley (R-Iowa) led off the interrogation, complaining that there's not enough "pain" in the proposal. Summers argued that it is "not pain free" to set aside 62% of the projected budget surplus, because that money, presuming it does materialize, would not be available for tax cuts or new spending programs. John Breaux (D-La.) told Summers, "All of your

proposals mean spending more money. That doesn't seem very painful to me." Not mentioned in the plan, Breaux added, are changes in the consumer price index, or raising the retirement age. "Where are your hard choices?" he asked.

Summers said that Clinton's plan would add 20 years to the actuarial life of the Social Security trust fund, to the year 2055. It is President Clinton's conviction, he said, that the last 20 years of the 75-year solvency target should "come out of a bipartisan process," including structural changes that the President has not, yet, put on the table.

Richard Bryan (D-Nev.) made light of the fact that, in spite of the hoopla about the so-called budget surplus, his constituents realize that the public debt is still increasing. Summers tried to explain that the public debt of the United States is different from "intra-governmental debt." The latter, he said, has no economic significance, though it has other significance: "There is no liability [to taxpayers] on intra-governmental debt." The liability, he said, comes from "the ultimate obligation of the nation," which is to pay the promised benefits. After Summers' explanation, Grassley interjected, "You still have to vote to raise the debt ceiling."

Trade hearing fixates on compliance

U.S. trade policy is coming more to the forefront as the global financial crisis hits more sectors of the U.S. economy. However, debate in Congress is obsessed with "enforcing the rules" of the collapsing free trade system.

In a hearing of the Senate Finance Committee on Feb. 25, committee chairman William V. Roth (R-Del.)

said, "I believe that strengthening our ability to enforce our international trade agreements is essential." He was seconded by Daniel Patrick Moynihan (D-N.Y.), who added, "We have to continue our open trading policies and we have to insist on the rules of that system."

Undersecretary of Commerce for International Trade David Aaron centered his testimony on complaints against others, especially Japan and the European Union. He called Japan a "special compliance problem" because market access to U.S. exports remains "limited." The EU, he complained, is considering a rule that would effectively ban the operation of older U.S. civilian aircraft that have been modified to meet current international noise standards. Aaron warned, "The member states of the EU must understand that the United States is prepared to respond if our industry suffers harm."

Only toward the end of the hearing did a little bit of reality seep through. Bob Kerrey (D-Neb.), after paying the usual homage to the "strong economy," noted that the effect of International Monetary Fund (IMF) policy in Asia has been to dampen demand. "So it seems to me," he said, "that trade isn't going to work very well unless the standard of living of the rest of the world rises," although he then said that trade liberalization is the key to raising living standards. John D. Rockefeller IV (D-W.V.) added his warning that the Clinton administration's failure to enforce trade agreements was straining its credibility with certain constituency groups. He reported that the previous week, he had gone to Pittsburgh for a field hearing of the Congressional Steel Caucus, chaired by Sen. Arlen Specter (R-Pa.). "I asked the Weirton [steel company] guy," he said, "what would you do? Gore is running for

President. What would you do if he came to Weirton?" He said, "I'd run him out of town. I'd run him out of town."

Can GOP, Clinton work together?

The most-asked question, after the Congressional leadership met at the White House on Feb. 23, was whether the GOP can work with President Clinton on a legislative agenda in the aftermath of the impeachment trial. House Speaker Dennis Hastert (R-Ill.) told reporters that they had had a "good discussion" with the President covering a broad range of issues. Senate Majority Leader Trent Lott (R-Miss.) added that "we're going to work together, hopefully across the party lines in the Congress and with the administration, to do what the American people expect of us."

Both Lott and Hastert sidestepped the question of whether they "trust" President Clinton. Lott said, "I trust the ability of the people, here in the Congress, in the government, to work together to do what we need for the people. That's where the real trust should be, the trust in us doing the job." Hastert added, "We are starting to work to put together ideas, and that's the first step. We need to put the ideas so we can frame the debate, so we can move forward for what the agenda is for the American people."

Senate Minority Leader Tom Daschle (D-S.D.) said that the meeting was a "good thing to do. We ought to do it more frequently." House Minority Leader Dick Gephardt (D-Mo.), when asked how the President could rebuild the trust between him and the GOP, replied: "I think the meeting is a sign of trust. I think they want to work

with him. They realize that if they're to get the people's business done, they have to work with the President of the United States."

GOP has no solid front on tax cuts

Both parties continue to jockey for position in the debate over tax cuts, now that the impeachment torment is over. The Democrats, with backing from President Clinton, want targeted tax cuts, such as eliminating the marriage penalty (also supported by the GOP), and tax credits for child care, long-term medical care, health care, and so forth. The centerpiece of the Republican tax-cut strategy is a broad-based 10% cut, but the GOP appears to be wavering on this.

After the Congressional leadership meeting with President Clinton on Feb. 23, House Minority Leader Dick Gephardt (D-Mo.) told reporters that he had gleaned from a recent speech by House Speaker Dennis Hastert (R-Ill.) "that the Republicans were not adamant that there be this 10% across-the-board tax cut." Just a few minutes earlier, Hastert told reporters, "There's a lot of types of tax cuts on the menu." Senate Majority Leader Trent Lott added, "Any time we can have a discussion about which tax cuts we should put in place, I'm happy."

Not all Republicans, however, are happy: House Budget Committee Chairman John Kasich (R-Ohio), a candidate for the GOP Presidential nomination, told ABC's "This Week" on Feb. 28 that the GOP 10% cut "is alive and well and that will be debated over the course of the next three or four months." He was echoed by Senate Majority Whip Don Nickles (R-Okla.), appearing on CNN's "Late Edition."