

## Congressional Closeup by William Jones

### Panel clears bill to open foreign markets

The House International Development and Finance subcommittee unanimously approved the Fair Trade and Financial Services Act by voice vote on Nov. 19. The bill is aimed at gaining greater access for U.S. banks, brokerages, and other financial institutions to foreign markets that restrict American operations.

The Clinton administration has touted the measure as a means of giving U.S. negotiators more leverage in the General Agreement on Tariffs and Trade talks, and has singled out Japan, Korea, Taiwan, Indonesia, the Philippines, and Brazil as nations toward which the bill is targeted. While allowing foreign financial institutions continued access to the U.S. market, some nations would be forced to hold up their banks and other financial institutions' expansion plans until they open up their own market. The bill would not affect current operations of foreign firms already in the United States.

"The purpose of this is not to exclude other nations from our financial markets," said Rep. Barney Frank (D-Mass.), chairman of the subcommittee. "The goal is openness." The measure now goes to the full Banking Committee, which is not expected to take action until next year.

### Halperin nomination sent back to Clinton

The Senate on Nov. 20 sent the nomination of Morton Halperin to become assistant secretary of defense for democracy and peacekeeping, a new post, back to the White House without debate. Nominations are returned at the end of a session unless the Senate agrees, as it does routinely, to hold them. If President Clinton wants to

proceed with the nomination, he must resubmit it when the Senate reconvenes in January.

Halperin's nomination has been bitterly opposed by conservative Republicans. At a hearing of the Senate Armed Services Committee on Nov. 19, Sen. Strom Thurmond (S.C.), the ranking Republican, called Halperin "unsuited for any position in the Pentagon. . . . He has a distorted view of the nature of conflict and international affairs, and has taken irresponsible positions well outside the mainstream of defense thinking."

Halperin, a former government official, policy analyst, and civil liberties activist, denied charges that he had undermined U.S. foreign and defense policy. Halperin is one of the foremost proponents within the administration for wider use of U.S. troops in U.N. peacekeeping operations.

The White House announced on Nov. 21 that Clinton will resubmit the nomination. But with pro-defense Democrats, such as Sen. Sam Nunn (Ga.), critical of the nomination, Clinton may decide to drop it.

### China must do more for MFN status, says Mitchell

China must make progress on human rights, nuclear non-proliferation, and trade issues if it wants its Most Favored Nation trade status with the United States renewed, Senate Majority Leader George Mitchell (D-Me.) warned on the NBC News program "Meet the Press" on Nov. 21. Extension of MFN, which gives imported goods the lowest U.S. tariffs, comes up next year.

"I think the crucial period will be over the next six months whether the Chinese respond and actually make some progress in the area of trade, hu-

man rights, and non-proliferation," Mitchell said. "Right now I do not believe the President could extend Most Favored Nation status were the current events to exist late next spring or early summer. . . . There would have to be more done between now and next year for that decision to be affirmative."

Senate Minority Leader Bob Dole (R-Kan.) said that he supports increased trade with China, but added, "We have to keep an eye on their human rights record."

### Statehood for D.C. rebuffed in vote

The House on Nov. 21 defeated by a vote of 277-153 a bill to make Washington, D.C. the 51st state of the Union. This is the first time that the issue has come up for a vote.

Despite the defeat, supporters of statehood for the capital city, which would have been renamed the state of New Columbia, said the level of support was higher than expected and vowed to continue fighting. "I'm ready to declare victory right now," D.C. Delegate Eleanor Holmes Norton said at a news conference with Mayor Sharon Pratt Kelly, "shadow senator" Jesse Jackson, and other officials. "This vote has surpassed my wildest expectations."

Lawmakers usually do not push for a vote on legislation they know is doomed to fail, but statehood supporters felt it was necessary to give the issue a higher profile. They laid out a list of complaints, chief among them the fact that the 600,000 District residents pay more federal taxes than some U.S. states, but have no voting members in the U.S. House or Senate. District residents have only been able to vote for President since 1964, under the 23rd Amendment to the United

States Constitution.

Opponents argue that the Constitution expressly made D.C. a special federal area in order to isolate it from the endemic sectional strife of the period and to prevent any one state from having an undue influence on the federal government.

The District has a large black population, which led some lawmakers to try to make an analogy between the quest for statehood and the civil rights marches of the 1960s that produced landmark voting rights and other laws to protect minority rights. The bill was supported by President Clinton and the House Democratic leadership.

## Arab boycott of Israel condemned by House

The House on Nov. 21 passed by a vote of 425-1 a resolution condemning the long-standing Arab League boycott of Israel and calling it an impediment to Middle East peace. The non-binding resolution urges the Arab League and the United States to work to end both the direct boycott against Israel and a related boycott against firms with commercial ties to that nation.

The boycott "is an unnecessary obstacle to a comprehensive peace in the Middle East. It stands as a threat to the increased spirit of cooperation and tolerance emerging in the region," said Rep. Lee Hamilton (D-Ind.), chairman of the House Foreign Affairs Committee.

Since 1948, when Israel was founded, most countries in the Arab League have maintained an economic and diplomatic boycott of Israel. The boycott was expanded during the 1950s to include many companies that have commercial ties with Israel, including U.S. firms.

Lawmakers noted that some Arab

nations are moving toward ending the boycott of firms since the signing of the recent Israel-PLO accord.

## Gonzalez exposes NAFTA secret negotiations

In remarks on the floor of the House on Nov. 15, Banking Committee Chairman Henry B. Gonzalez (D-Tex.) joined Rep. Marcy Kaptur (D-Ohio) in attacking the pressure tactics of the Clinton administration in buying votes for the North American Free Trade Agreement.

"If a businessman were to do that," he said, "he would have been accused of bribery, and it is very disturbing. But the reason for it . . . is that the whole process over the course of 14 months that led to the formulation of these agreements was in total and absolute secrecy. You cannot get your hands on minutes or a record of the transcript, if they have one."

Gonzalez reported that the assistant secretary of the treasury who participated in the negotiations had two weeks earlier finally sent him a list of the other negotiators. "It has," he said, "all the leading, most powerful megabanks and their attorneys. These are the guys that wrote that section. Now, if anybody thinks that as a member of this House he or she can delegate to that class to protect the general interest, then they are very naive or willfully irresponsible."

## North Korea targeted by Gilman resolution

Rep. Ben Gilman (R-N.Y.), the ranking member on the House Foreign Affairs Committee, introduced on Nov. 15 a joint resolution giving blank-check support for whatever action President Clinton may take with re-

gard to production of nuclear weapons by North Korea.

"My resolution expresses Congress' approval and support for the steps that the administration has taken to date," said Gilman. "Further, it approves and encourages the use by the President of any additional means, necessary and appropriate, including diplomacy, economic sanctions, a blockade, and military force, to prevent the development, acquisition, or use by North Korea of a nuclear explosive device.

"My resolution defers to the President regarding which means are necessary and appropriate to prevent North Korea from obtaining a nuclear weapon. It is intended to make clear that he will have the support of Congress for any necessary and appropriate measures that he employs."

## Death penalty favored over life without parole

An amendment to the crime bill offered by Sen. Carl Levin (D-Mich.), which would have substituted life without parole for the death penalty, was defeated 26-73 on Nov. 16.

Levin referred to a report by the House Judiciary Committee which cited 48 cases, since the death penalty was reinstated in 1976, of individuals sentenced to death and ultimately cleared and released because they were innocent. Among the reasons cited for these wrongful convictions were prejudice, inadequate counsel, initial misconduct, and pressure to prosecute.

Sen. Orrin Hatch (R-Utah), however, claimed that society has the right of retribution against those who commit violent crimes, and that the deterrent value of the death penalty is unquestionable. "Murderers who are executed will clearly never kill again," he said.