

Congressional Closeup by Carl Osgood

Senators skeptical of budget projections

Several members of the Senate Finance Committee warned Treasury Secretary Robert Rubin at a hearing on Feb. 2, that the Clinton administration should not rely on the rosy budget forecasts from the Congressional Budget Office and the Office of Management and Budget. Max Baucus (D-Mont.) urged his colleagues "to be prudent, wise, cautious, not to gloat because it's not always going to be so good," as the forecasts supposedly are now.

Baucus was backed up by Charles Grassley (R-Iowa) and Richard Bryan (D-Nev.). Grassley said that "good news can turn very quickly into bad news and our hard-fought budget surpluses can turn into deficits in the blink of an eye if the American economy would falter." He pointed to the effects that the economic crisis in Asia and elsewhere in the world has had on the agricultural export market, and concluded that "what happens someplace else in the world that might not be easily predictable, ought to cause us even to have more caution here." Bryan warned, "I would hope that in structuring the budget, we are not structuring this budget so that we are locked in, in some kind of a permanent mechanism where we're not going to be able to make some adjustments if, in the years ahead, the numbers don't come in as positively."

Before the Senate Budget Committee the next day, Rubin was grilled by Fritz Hollings (D-S.C.) on why the government was keeping two sets of books. Hollings challenged whether the alleged surplus exists. He pointed out that even while budget surpluses are projected "as far as the eye can see," the total Federal debt is actually increasing, by \$136 billion in FY 1999 and \$216 billion in FY 2000. Rubin said that the bookkeeping is really two

unrelated pieces: One is the "unified budget," which is a "question of resources" within the United States government; the other is the "obligations of the United States government to external creditors of the United States."

At a House Ways and Means Committee hearing on Feb. 4, a sparring match erupted between Rubin and committee chairman Bill Archer (R-Tex.) over what constitutes "emergency spending," and whether the administration spent any of the alleged fiscal 1998 surplus.

NATO action urged to stop fighting in Kosova

On Feb. 2, Sens. Richard Lugar (R-Ind.), Chuck Hagel (R-Neb.), and Joe Lieberman (D-Conn.) stated their belief at a press conference, that only military force is likely to bring Serbian President Slobodan Milosevic to the negotiating table. Lugar said that force might even be necessary to disrupt arms shipments to the Kosova Liberation Army "or other disruptive elements that have likewise contributed to that instability."

The Senators reported that they and five other Senators had sent a letter to President Clinton expressing the view that NATO must be prepared to use military force, if necessary, to get the two sides to talk to each other, and that American participation in such military action, and in a follow-on peacekeeping operation, is vital. Lieberman said that Americans must be prepared for the possibility that any American contingent in a peacekeeping force might be under foreign command.

They also put the issue in the context of the U.S. military presence in Bosnia. Lieberman said, "We have

made an investment in Bosnia, in stability in the Balkans," he said. "If we turn away from the growing conflict in Kosova, we run the very real risk of wasting that investment." Unlike Bosnia at the time of the Dayton peace accords, however, when both sides appeared to be on the point of exhaustion, "here, as the winter gives way to thaw and spring, both sides seem ready for war," he said.

The following day, Kay Bailey Hutchison (R-Tex.) also expressed support for NATO action. However, she said, "I don't think we ought to be committing troops without knowing exactly what our commitment is in terms of time and certainly money that would be spent on this kind of project." She added, "It is a very tough decision for me to say that we should have more unending missions in the Balkans when we have not really had an exit strategy in Bosnia yet and don't seem to have one in the near future."

Weldon introduces missile defense bill

On Feb. 4, Rep. Curt Weldon (R-Pa.) and 59 co-sponsors introduced a bill to "declare it to be the policy of the United States to deploy a national missile defense." At a press conference, Weldon said, "We are today saying that we are going to act this year in the Congress to overwhelmingly pass a bill that changes direction for America, and that is to deal with the threat of proliferation and the need to protect our homeland."

Weldon emphasized that his bill is not aimed at Russia, but rather so-called "rogue" nations such as North Korea, Iraq, and Iran. "This is not an attempt to undermine Russia," he said. "In fact, we have established a work-

ing relationship with the Russians to move away from the past policy of only relying on deterrence, to move toward a new policy where the Russians will agree with us that we both need to protect our people" from rogue nations. He said that the bill would send "a clear message to countries like North Korea that we are not going to be held hostage."

Weldon emphasized the bipartisan support for the bill. Of the 59 co-sponsors, 29 are Democrats, and two of them, John Spratt (S.C.) and Silvestre Reyes (Tex.), appeared with Weldon at the press conference. Spratt said, "I am supporting this bill because I'd like to see ballistic missile defense made a defense issue again that is objectively dealt with," rather than treated like a "political totem," i.e., that people support it or oppose it because "it's politically correct" to do so.

Defense panels skeptical of Clinton budget plan

The appearances of Defense Secretary William Cohen and Chairman of the Joint Chiefs of Staff Gen. Henry Shelton on Capitol Hill on Feb. 2 and 3, did little to dispel Congressional skepticism toward the Clinton administration's fiscal year 2000 proposed defense budget. The plan aims to increase defense spending by \$112 billion over the next six years to address personnel and readiness issues, with \$28 billion of that coming from projected savings from lower fuel costs, lower inflation, and other "economic adjustments."

House Armed Services Committee Chairman Rep. Floyd Spence (R-S.C.) said on Feb. 2 that there was "some good news" in the budget plan, but he remained doubtful of key parts

of the President's plan, especially the anticipated savings. He complained that "this budget falls well short of adequately addressing the services' unfunded requirements" of about \$150 billion, laid out before the committee by the service chiefs last September and again in January.

Secretary Cohen admitted that the \$112 billion planned increase does not address all of the service chiefs' concerns, but it does "in fact, take us a long way toward meeting" those requirements. He said that if the anticipated savings "don't materialize, then we have to face up to how to pay for them."

Spence's concerns were echoed in a Senate Armed Service Committee hearing the following day. Strom Thurmond (R-S.C.) said, "I am dismayed that only \$4.1 billion is the real increase [for FY 2000] to the top line and that the remaining is budgetary sleight of hand." Carl Levin (D-Mich.) expressed concern that the military pay and benefits package reported by the committee the week before would take a bigger chunk of the budget increase than had been recommended by the administration. He said that while nobody on the committee opposes increasing military pay and benefits, "we have a responsibility to step back and look at the trade-off that might be required to pay for these increases . . . and to make an assessment of those trade-offs when we act."

Albright grilled on embassy security funds

The Clinton administration came in for some criticism at a Senate Commerce, Justice, State and the Judiciary Appropriations subcommittee hearing on counterterrorism on Feb. 4. Sub-

committee chairman Judd Gregg (R-N.H.) told the hearing that he had a "very serious concern" that the budget for the State Department sent up by the administration underfunded embassy security by about \$700 million, a situation he blamed on the Office of Management and Budget. "It puts this committee in a very serious situation," he said, "because for us to meet the obligations of protecting our people abroad, which this White House has said it was going to do, we are going to have to come up with the money, even though the White House isn't willing to come up with the money."

Secretary of State Madeleine Albright tried to walk the tightrope between security requirements and imposed budget limitations. She said that working within the caps imposed by the 1997 Balanced Budget Act "is not an easy issue," because the State Department has been operating "within the constraints of trying to eliminate the deficit and also within what we have for our Function 150, which deals not only with security and buildings but the operations of the State Department and our overall policies." In response, Gregg reiterated his belief that the "OMB has sent up a budget that's not going to work in order to protect the embassies."

Ranking subcommittee member Fritz Hollings (D-S.C.) was dubious about spending a billion dollars to improve building security. "I'm not sanguine," he said, "about the ability of the government to really get proof-positive protection against terrorism. . . . You can't barrier all the buildings." He said that the problem will persist "as long as you've got suicidal agents, individuals who are willing to just go down into a public square and blow themselves up with other people. So you have got to look at this thing in a deliberative, studied way."