

Congressional Closeup by Carl Osgood

Vietnam Trade Policy Taken Up by House Panel

On June 15, the House Ways and Means Trade Subcommittee held a hearing to consider U.S. trade policy toward Vietnam. The hearing was triggered by a resolution, sponsored by Dana Rohrabacher (R-Calif.), to disapprove President Clinton's waiver of Jackson-Vanik for Vietnam, the third waiver that Clinton has issued for Vietnam since 1998, which would allow continued support by the Export-Import Bank, the Overseas Private Investment Corp., and the U.S. Department of Agriculture for U.S. firms doing business in Vietnam.

The hearing began with a diatribe from Rohrabacher, speaking from the witness table, against the "corruption, mismanagement, and repression" reigning in Vietnam. He claimed that that government is being subsidized by the U.S. taxpayer, and that this should not be tolerated. He claimed that by supporting his legislation, "we can put the Vietnamese on probation" for a year, and if they begin implementing the reforms "which they have promised," then next year he would reconsider his opposition to the waiver.

Rohrabacher was chided by Sander Levin (D-Mich.) for exaggerating the cost of U.S. trade support. "I don't want taxpayers to think," he said, that anybody "is suggesting that we provide taxpayers' monies to prop up the government of Vietnam."

U.S. Ambassador to Vietnam Douglas "Pete" Peterson, a former House member and a POW during the Vietnam War, provided a completely different picture. Peterson declared that U.S. engagement with Vietnam "works," and that the waiver "will continue to advance U.S. national interests." He said that cooperation, especially on immigration and POW-

MIA issues, has been "excellent." Peterson also reported that he has seen "significant improvements in the human rights process in Vietnam."

Peterson warned that failure to renew the waiver "would be very, very damaging to our overall relationship," because the waiver "has become the symbol of American engagement and of cooperation into the future." Peterson indicated that such a failure would not likely affect the immigration or POW-MIA issues, but there are other issues, such as counternarcotics, health, and environmental programs that "would likely suffer greatly if we were not able to pursue" them.

Is the Budget Headed for Another Fall Train Wreck?

There was a flurry of activity on appropriations bills in mid-June, but the current pace of the process doesn't necessarily foretell finishing the job in September. On June 13, the Senate passed the Defense Appropriations bill, which had passed the House the week before, by a vote of 95-3. The next day, the House passed the Labor, Health and Human Services, and Education Appropriations bill by a vote of 217-214. Then, on June 15, the Senate passed the Transportation Appropriations bill unanimously, and the House passed the Interior Appropriations bill by a vote of 204-172.

The House debate on the Labor, HHS, and Education bill may be an indication of things to come. During debate on June 8, Labor-HHS Appropriations Subcommittee Chairman John Porter (R-Ill.) admitted that the bill, which otherwise increases discretionary spending by \$2.4 billion over last year, contains "a few cuts." The bill comes in at \$98.6 billion, compared to President Clinton's request of

\$106.2 billion.

David Obey (D-Wisc.) said that the bill doesn't include as much money as is needed because of the GOP's tax-cut strategy. "The fact is," he said, "this bill is frozen in time because it does not respond to the growing costs, growing pressures in our society, even though we have moved from an era of large deficits to large surpluses." Obey warned that in September, the GOP will have to face up to the fact that "this bill and most of the others are not going to be signed by the President of the United States unless additional resources are put in it."

On June 14, the day the bill was voted on, Jack Quinn (R-N.Y.) expressed reservations about the amounts provided for certain education, and other programs in the bill. Obey responded, "The only assurance that any individual member can provide that there will be more funding for a program that he is interested in is to vote for a bill which contains it." He warned that voting for a bill that fails to contain sufficient funding gives "leverage to the very people who are trying to hold down funding for that bill."

High Gas Prices Agitate Democrats

Soaring gasoline prices in the Midwest are spurring Democrats to pressure the Clinton Administration to take more decisive action. On June 15, Senate Minority Leader Tom Daschle (D-S.D.) and House Minority Leader Richard Gephardt (D-Mo.) met with the President and warned him that voter anger over high pump prices could threaten Democratic attempts to retake control of the House and Senate in the fall. On June 16, Sens. Charles Schumer (D-N.Y.) and Susan Collins (R-Me.) called on the President to re-

lease oil from the Strategic Petroleum Reserve to “immediately reduce the price of oil” and to “send a shot across the bow of OPEC [Organization of Petroleum Exporting Countries] ministers.”

Republicans, on the other hand, are seeing advantage in the situation. Senate Majority Leader Trent Lott (R-Miss.) is chastising Democrats for rejecting his bill earlier this year, that would have suspended the 4.3¢ per gallon gas tax, passed in 1993, if the price of gasoline went above \$2 per gallon, as it now has in many parts of the country. Lott is taking pot shots at the Administration for not having a national energy policy. “This Administration,” he said on June 20, “is not doing anything to produce more domestic oil or to encourage use of alternative sources like natural gas.” He warned that a return of the gas lines of the 1970s “is the kind of thing people get mad about and they want some action on.”

On June 15, the Clinton Administration authorized the release from the Strategic Petroleum Reserve of 1 million barrels of oil to a Citgo refinery in Louisiana, but this was only a response to the blocking of a shipping channel that prevented tanker deliveries to the refinery. Schumer and Collins are calling for the release of 1 million barrels per day for 45 days to bring down prices.

Cuba Commission Rejected by Senate

On June 20, the Senate voted down an amendment to the fiscal 2001 Defense Authorization bill to create a national commission to study U.S. policy toward Cuba. The amendment was sponsored by Chris Dodd (D-Conn.), who says that the U.S. sanctions policy of

the last 40 years has been a failure and should be reviewed. The amendment was also a response to pressure from agricultural interests, which have been lobbying for a partial lifting of sanctions to allow the export of food and medicines to Cuba.

During floor debate, Dodd said that there has been a double standard when it comes to Cuba. “A number of other countries are far more of a threat to U.S. national security and antithetical to U.S. foreign policy interests,” yet the sanctions against Cuba are the harshest, he said. He added that we are not going to change Cuba by “building a Berlin Wall off the coast of Florida between our two countries.” Instead, the way to do it is by engagement. “Isn’t it time we start to measure our Cuban policy against the same yardstick that we measure our relations with the rest of the nations of the world?”

Connie Mack (R-Fla.) called Dodd’s amendment “blatantly political, so much so, that no serious effort can come from a commission designed to be so skewed.” He took issue with the selection process that would result in Democrats appointing 8 of the 12 commission members. “By maintaining the current policy of isolating Fidel Castro,” he said, “we are standing shoulder to shoulder with people struggling for freedom.” In comparing Cuba to China, he said that Castro “has failed to make any of the changes made by Beijing.”

Dodd responded that if Mack’s logic were to be followed, “President Nixon never should have gone to China” at a time when there was little freedom there. As to arguments that the amendment was irrelevant to the underlying bill, Dodd said that “this is more relevant than a lot of stuff on this bill because we are dealing with a national security issue that could become

a serious problem” in the event of a civil war in the post-Castro period.

GOP Introduces Its Own Campaign Disclosure Bill

On June 15, Sen. Gordon Smith (R-Ore.) and several co-sponsors introduced legislation to require “full disclosure of contributions and expenditures of groups which have heretofore not been held accountable and yet have been subsidized by the American people through tax-exempt status.” The bill is a broader version of an amendment which Sen. John McCain (R-Ariz.) successfully added to the Defense Authorization bill the week before. In addition to the so-called Section 527 organizations, the bill also applies to the political activities of business and labor organizations that are tax exempt under Sections 501(c)5 and 501(c)6 of the tax code.

The addition of labor unions to the bill is a lightning rod for Democrats, as Senate Minority Leader Tom Daschle (D-S.D.) indicated to reporters the day after the bill was introduced. He called the expansion from Section 527 organizations to labor “unacceptable,” and said that if labor is going to be required to report its political activities, “at least you ought to say corporations and the NRA [National Rifle Association] and Right to Life and all the other organizations ought to be involved as well.”

Sen. Mitch McConnell (R-Ky.) called organized labor “the most important political player on the America scene.” He argued that to include organized labor should not be seen as an act of bad faith or as a poison pill. McConnell’s commitment to the bill is open to question, however, because he himself termed it “of dubious constitutionality,” a label he applies to all such campaign finance legislation.