# Congressional Closeup by Kathleen Klenetsky

## Deal struck on INF pact

Senate Majority Leader Robert Byrd (D-W.Va.) has struck a deal with members of the Senate Foreign Relations Committee, which is aimed at ensuring that opponents of the INF treaty are unable to add any crippling amendments to the pact before it reaches the Senate floor.

Byrd and other key Democratic leaders reportedly agreed last week that the Foreign Relations panel will permit only one condition—not even an amendment—to be added to the treaty, when the panel reports it out to the Senate floor this spring.

The condition would prohibit any future reinterpretation of the treaty, unless the Senate agrees—a condition addressed as much to the issue of interpreting the 1972 ABM treaty as to the INF pact itself.

One of the primary purposes of Byrd's maneuver is to block Sen. Jesse Helms (R-N.C.) and other treaty critics from trying to push through so-called "killer amendments" at the committee level. The hope is that by establishing a consensus against any such amendments at the committee level, the panel will be able to present a united front in favor of the treaty when it comes to the floor. Helms, who is the ranking Republican on the Foreign Relations panel, has not yet indicated whether he will fight Byrd's maneuver.

## Canada-U.S. free-trade accord in rough waters

The free-trade agreement signed by President Reagan and Canadian Prime Minister Brian Mulroney Jan. 2 is coming under fire in the Senate, which has the option of rejecting the pact, if it sees fit.

Particularly dismayed are senators representing Western states, who charge that the highly touted accord will destroy many of their region's key industries, which are already suffering the ravages of the U.S. depression.

One particular concern is the American uranium industry, which is all but dead, thanks to the war which the eco-freaks have waged on nuclear power for the last two decades. Critics of the trade agreement have warned that it could spell the end of the domestic uranium industry, because the accord would make Canadian imports significantly cheaper than the U.S. product.

Sens. Max Baucus (D-Mont.) and Pete Domenici (R-N.M.), along with more than 20 of their colleagues, sent a letter to President Reagan in late February saying they want the United States to tie some of the tariff reductions which the pact provides for, to the elimination of Canadian subsidies for specific natural resource industries.

The letter specifically calls on Canada to end subsidies for metals, coal, and wheat, and demands protection for the U.S. uranium and oil and gas industries.

Baucus told the Feb. 22 *Wall Street Journal* that he and the other signators think the trade accord is "fine for the East, it's good for financial interests and manufacturing. But," he asserted, "it doesn't help the industries important to our region, like non-ferrous metals, coal, plywood, uranium, wheat." Baucus cautioned, "If these problems aren't addressed, I'll be forced to oppose the agreement, and I believe that's the view of a good number of others in the group."

Led by Domenici, several signers of the letter to Reagan have introduced a bill, the U.S.-Canada Free Trade Agreement Oil and Natural Gas Incentive Equalization Act of 1988, which is intended to correct what they charge are major flaws in the energy section of the accord. In statements on the Senate floor Feb. 23, Domenici charged that the agreement "is not a good accord," because it does not eliminate the extensive subsidies which the Canadian government grants its oil and gas sectors. Domenici's bill would repeal the windfall profits tax, and extend various tax breaks and other incentives to U.S. oil and gas producers, to, as he put it, "conform the intent of the [free trade] agreement with the realities of the oil and natural gas marketplace in North America."

Unfortunately, the bill does not propose the most obvious solution to the economic collapse in U.S. oil and gas: a tariff on imported oil, which would put a $26-per-barrel floor price under the American product.

## Senate opposes Shultz's secret Afghanistan pact

A secret understanding on Afghanistan, which Secretary of State George Shultz forged with the Kremlin two years ago, was a little too much for even the U.S. Senate to swallow. Shultz had promised the Soviets that the United States would sever all assistance to the Afghani resistance on the first day that Moscow began to withdraw its troops from Afghanistan.

Responding to recent disclosures of Shultz's agreement, the Senate voted 77-0 Feb. 29 for a resolution urging the administration not to cut off aid to the mujahideen until all 115,000 Soviet troops are withdrawn.

The resolution also states that the Pakistani government "should not be put under any pressure to agree to Soviet terms for a settlement and that the future of Afghanistan should not be driven by the desire or schedule for a U.S.-Soviet summit."

Resolution sponsor Sen. Robert Byrd (D-W.Va.), had harsh words for the administration's eagerness to sell out the mujahideen. Shultz's deal is "foolish" and "dumb," he said. Why should we "terminate assistance to the resistance the day the Soviets begin their withdrawal, when the Soviets are under no reciprocal requirement. . . . That is a recipe for disaster."

Although the resolution is nonbinding, it could deter the administration from following through on Shultz's deal. Moreover, Byrd hinted that he might link INF ratification to the Afghanistan issue. "I'd like to know what's in these agreements before our government signs its names on the dotted line," he said. "And let me further say this: I'd like to know what's in this agreement before I call up this treaty, the INF treaty."

## 'Burden-sharing' becomes hot topic on Hill

"Burden-sharing"—a euphemism employed by those who want the United States to abandon its commitment to the defense of its allies—has emerged as one of the hottest items on Capitol Hill. Legislators representing nearly every segment of the political spectrum are vying with one another to see who can make the toughest demands on Japan and Western Europe to cough up more money for the defense of the Western alliance.

Contending that the United States can no longer afford to maintain its commitment to NATO and other defense alliances, and that Japan and Western Europe have been getting a free ride from American taxpayers for decades, members of Congress are now demanding that these countries up their defense outlays, or face the withdrawal of American troops and other forms of assistance.

Lost in the demagogic debate are several pertinent facts, among them, that the bases which NATO members provide represent a contribution of billions of dollars yearly above and beyond their actual military budgets.

One of the ringleaders of the "burden-sharing" hoopla is Rep. Pat Schroeder (D-Colo.), who urged President Reagan, on the eve of his departure for the NATO summit in early March, "to begin talking about changing the nature of our relationship with our developed allies. The reality is we can no longer carry the burden of the free world's defense."

Shortly before, Schroeder wrote to a sympathetic Defense Secretary Frank Carlucci in February that, "A growing number of the American people feel abused by our allies. They feel that we spend a much greater portion of our wealth on the common defense; that we have too large a number of soldiers stationed on their territory; and that the allies use the money they save on defense to subsidize their trade, creating our enormous trade deficit."

Schroeder's involvement in the "burden-sharing" debate provides ample evidence that the real motive of those pushing the issue, is to justify a U.S. "decoupling" from its allies. The Colorado Democrat had introduced legislation two years running that would have halved the number of American troops in Europe.

Sen. James Sasser (D-Tenn.), a Schroeder crony, proposed two new burden-sharing initiatives to his Senate colleagues Feb. 22. One calls for ensuring that any conventional arms reduction agreement with Moscow give the United States, rather than her allies, "the largest share of approved weapons and troop cuts" in Europe. The United States, he said, should use future arms agreements to "reduce costly . . . deployments abroad and leave Europe more responsible for the defense of its own territory."

Sasser also proposed that the United States unload the cost of basing agreements with less wealthy countries, such as Turkey, on its allies, by getting NATO to set up a multilateral fund to make economic and security assistance payments to these countries. It would be financed by Europe, Japan, and the United States.

In early March, both the House and Senate Budget Committees held hearings on "burden-sharing." The latter went so far as to call Paul Kennedy to lecture them on why the United States should radically reduce its military commitments abroad. A Yale professor, Kennedy has just published a highly touted book, *The Rise and Fall of Great Nations,* which claims that the United States, like other "empires" of the past, is inevitably declining.

## Repeal of Glass-Steagall clears Senate panel

Legislation to repeal the Glass-Steagall Act, which prohibits commercial banks from selling securities, cleared a key hurdle, when the Senate Banking Committee tentatively gave the green light to the measure during a closed-door session March. 1.

Sponsored by Sen. Jake Garn (R-Utah), the legislation is one of the most controversial to be considered by Congress this year. It would once again permit a single entity to conduct both commercial banking and investment banking, something which Glass-Steagall banned during the 1930s depression.

The Garn bill still faces considerable obstacles, especially in the House, where several influential legislators, including Banking Committee chairman Fernand St Germain (D-R.I.) and Energy and Commerce Committee head John Dingell (D-Mich.) have expressed strong reservations about the potential damages which such broad deregulation of the banking industry could cause.