Congressional Closeup by Carl Osgood

Disaster relief bill laced with free trade

House Ways and Means Trade Subcommittee Chairman Phil Crane (R-Ill.), with Jim Kolbe (R-Ariz.) and Charles Rangel (D-N.Y.), introduced a bill on March 4 that combines disaster relief and recovery for the Caribbean and Central America with expanded free trade programs.

At a press conference, Kolbe said that we should be proud of our response to the disasters wrought by Hurricanes Georges and Mitch, but that it "now is time for us to show that our reaction goes beyond sympathy and charity." The disaster, he said, should be taken as a "catalyst to offer the smaller protective economies of the Caribbean region an opportunity to participate with the United States in the magic of a free-trade economy."

The trade portion of the bill includes a provision that lifts duties on the 30% of imports that are not already duty-free under the Caribbean Basin Initiative program, and another that supports the Overseas Private Investment Corp. to continue to work with U.S. businesses to help meet the long-term investment needs of the region. It also contains two enforcement provisions: The first requires the President to review country adherence to the eligibility criteria and gives him the authority to withdraw, suspend, or limit new trade benefits. The second contains penalties for exporters who engage in illegal textile transshipments.

The bill also provides funds for reconstruction and disaster assistance, anti-corruption assistance and training, funds to replenish various disaster relief accounts of the U.S. government, $16 million in debt forgiveness for Honduras, and $25 million for the Central American Trust Fund to be applied against multilateral debt.

Kolbe and Crane held their press conference only a few hours after National Security Adviser Sandy Berger briefed reporters on President Clinton's initiatives for the region and the trip he began there on March 8. Crane complained that the President's proposal "merely pays lip service to the concept of providing trade benefits, particularly in the textile area," because it requires U.S. fabric to be used before Caribbean countries can receive preferential treatment.

Senate debates 'ed-flex' bill

On March 2, the Senate began debate on the Education Flexibility Partnerships Act, the centerpiece of the GOP's education agenda. It was the first major piece of legislation to come to the Senate floor since the impeachment trial ended.

The bill extends a pilot program that allows states to apply for waivers from certain regulatory requirements of the Elementary and Secondary Education Act of 1965 (ESEA) if those requirements impede the state's ability to reform its school systems. The pilot program, run in 12 states, has been operating under the Department of Education since 1995, and was created by legislation originally sponsored by Edward Kennedy (D-Mass.) and Mark Hatfield (R-Ore.), now retired.

James Jeffords (R-Vt.) told the Senate on March 3 that the bill "will be a sensible step in making our limited resources go further toward the goal of improving our education delivery system." Bill Frist (R-Tenn.) added that the state waiver program "allows schools and school districts the opportunity to obtain temporary waivers to accomplish specific education goals, but free of that Washington red tape, free of those unnecessary Federal regulations."

Paul Wellstone (D-Minn.), who held up consideration of the bill with a more than three-hour speech, complained that the Senate Health, Education, Labor and Pensions (formerly the Labor and Human Resources) Committee never held hearings to evaluate the pilot program. He questioned the lack of accountability in the bill, and said that the bill "represents an abandonment of a national commitment to poor children in America," which is at the core of the ESEA.

Democrats have been using the bill as a vehicle to push their own education agenda, including reducing class size by funding the hiring of 100,000 new teachers and increasing funding for new school construction. To the consternation of the GOP leadership, the bill has stalled over attempts by Minority Leader Tom Daschle (D-S.D.) to ensure a debate on an amendment by Patty Murray (D-Wash.) to fund new teacher hiring. A cloture vote on March 8 failed to move the bill, and another cloture vote was scheduled for March 9.

Coverdell, Feinstein target drug cartels

Sens. Paul Coverdell (R-Ga.) and Dianne Feinstein (D-Calif.) announced on March 2 that they would be introducing legislation which is a pragmatic response to President Clinton's March 1 certification of Mexico as cooperating in the war on drugs. In each of the past two years, Coverdell and Feinstein have spearheaded attempts in the Senate to overturn Clinton's certification decision. Their bill this year aims more at drug traffickers, rather than the government of Mexico.

Coverdell told reporters that, as a result of discussions with the White House, "In saying we need to find some new places to focus on this problem, Senator Feinstein constantly pointing to the fact that the cartels are the issue," had led them to co-sponsor legislation that will codify President Clinton's 1995 Executive Order which identified Colombian cartel figures and made it illegal to conduct any type of commercial relations with them. With respect to cartel figures in Mexico, the bill "simply says to these people that have been indicted that we can extradite. . . . You cannot participate in any trade or business of any kind with the people or corporations of the United States of America."

The House has responded more sharply to the certification of Mexico, however. Spencer Bachus (R-Ala.), Clay Shaw (R-Fla.), and 11 other co-sponsors, including three Democrats, have introduced a joint resolution that disapproves certification, but waives withholding of anti-drug assistance for one year, unless the President certifies that U.S. vital interest requires that assistance be withheld.

Watkins blames oil, farm crises on Iraq

Rep. Wes Watkins (R-Okla.), whose state has been hit hard by the twin crises of dropping farm and oil prices, is blaming the resultant economic collapse on the Iraq oil-for-food program, rather than the ongoing disintegration of the global financial system. In a statement on the House floor on March 2, he said, "Today we are bombing Iraq but, at the same time, they are increasing by over 2 million barrels a day their oil sales which is helping to destroy our domestic oil industry. . . . They have also threatened and said they will not buy America's wheat with those funds from selling oil, again contributing to the collapse of the American farm. . . . What is wrong with this picture is Iraq is benefitting and our American farmers and independent producers are dying under the policy."

Watkins, along with Mac Thornberry (R-Tex.), has introduced a resolution calling on the President to oppose any expansion of the oil-for-food program. Among the statements in the resolution, is that "significant evidence exists that the Iraqi people are not reaping the supposed benefits" of the oil-for-food program because the government of Saddam Hussein "is unable or unwilling to distribute humanitarian supplies."

Denis Halliday, the former UN official who ran the oil-for-food program, contradicted this statement only a few days later, when he told a meeting of the Center for Policy Analysis on Palestine that the Iraqi government's food distribution system does, in fact, work very well. The problem is that the resources put into it are far from adequate, and that political interference from outside the country is the greatest single cause of that inadequacy.

Jackson challenges free trade orthodoxy

On Feb. 23, Rep. Jesse Jackson, Jr. introduced the HOPE for Africa Act, which proceeds from the standpoint that Africa nations first and foremost need debt forgiveness. It declares as a matter of policy that, "for the majority of people in sub-Saharan Africa to be able to benefit from new trade, investment, and other economic opportunities . . . the pre-existing burden of external debt must be eliminated."

Jackson's bill challenges the Africa Growth and Opportunity Act, a free trade bill supported by the GOP and the Clinton administration that requires African countries to comply with International Monetary Fund (IMF) conditionalities and open themselves up to globalization as preconditions for receiving preferential trading privileges with the United States. The AGOA, which passed the House last year but died in the Senate, has been reported by the House International Relations Committee and the Trade Subcommittee of the Ways and Means Committee.

Jackson's bill is highly critical of the IMF, which, along with the World bank and other such institutions, "have required African nations to adhere to structural adjustment programs which have imposed enormous preventable suffering on African people." These programs have resulted in collapse of wages, cuts in government spending on health care and education, and orientation of the economy toward generating hard currency for debt repayment purposes.

Jackson is determined that the issues he raises in his bill, which already has 51 co-sponsors, will be debated in both the House and the Senate. During a March 9 press conference, he claimed credit for the fact that the AGOA will not be passed under suspension of the rules, as had been the intent of the bill's sponsors. With the support he's generating with his alternative bill, the AGOA might not even pass a roll call vote. He said that the leaders of Africa, who had previously been told that AGOA was all they were going to get, will now have to look at his bill.