

Congressional Closeup by Carl Osgood

GOP Compromises on Sanctions Reform

Negotiations between the GOP leadership and the party's Cuban-American faction produced a compromise on sanctions reform that angered some Democrats, but left them with no leverage to do anything about it. The reform, inserted into the Agriculture Appropriations conference bill, reported out on Oct. 6, allows for exports of food and medicines to Cuba and other countries designated state sponsors of terrorism by the State Department. The *caveat*, however, is that no U.S. export assistance will be provided to help pay for such exports. This limitation can be waived for Iran, Libya, North Korea, and Sudan, but not for Cuba. In addition, the bill singles out Cuba for further restrictions on private U.S.-based financing for exports.

Sen. Chris Dodd (D-Conn.) objected to the compromise worked out by the Republicans. "It is rather ironic that those who rail against Fidel Castro's dictatorial behavior seem to have adopted some of his tendencies, namely, a willingness to abuse the democratic process and go against the will of the majority in the Congress." He particularly went after the travel restrictions. He warned that the restrictions will not prevent Cuban-Americans from visiting their relatives in Cuba, but rather will "encourage otherwise law-abiding individuals to break the law."

Dodd complained that "Cuba is singled out for even more restrictive treatment than countries that are far more of a potential threat" to U.S. interests. "Very little we do in Washington with respect to Cuba," he said, "has anything to do with winning the hearts and minds of the Cuban people. Rather, it is attempting to win the hearts and votes of the residents of some sections of the country, hardly a wise and moral way to make foreign policy."

The House passed the Agriculture Appropriations bill on Oct. 11 by a vote of 340-75. The White House indicated after the vote, that the President would sign the bill.

Drug Re-Importation Plan Angers Democrats

Senate Minority Leader Tom Daschle (D-S.D.) and House Minority Leader Richard Gephardt (D-Mo.) attacked the drug re-importation plan developed by GOP negotiators, at a press conference on Oct. 6. Gephardt accused the Republican leadership having decided "to defy the will of the American people and short-circuit a bipartisan effort to craft effective re-importation of prescriptions legislation that might have lowered the drug prices for millions of Americans." Instead, the GOP "went behind closed doors and came up with an ineffective, partisan half-measure that serves the needs of the pharmaceutical companies at the expense of the American consumer." Daschle said that the GOP plan "is a sellout to the pharmaceutical companies."

The provision would allow pharmacists and wholesalers to re-import U.S.-made prescription drugs sold abroad back into the United States and resell them at a discount. However, Democrats complain that it's full of loopholes. The bill would not stop U.S. drug manufacturers from contractually prohibiting its customers from agreeing not to resell drugs below U.S. prices. Democrats also maintain that the legislation would not require manufacturers to allow importers to use their Food and Drug Administration-approved product labels, without which the reimported drugs can't be sold in the United States.

Rep. David Obey (D-Wisc.) said that the bill's loopholes will mean that "drug companies will continue to

laugh all the way to the bank."

Republicans argue that the bill gives the Department of Health and Human Services the authority to counter attempts by the drug industry to undermine the bill. Sen. Slade Gorton (R-Wash.) advised Democrats to "accept this for the time being; let's take a shot at it."

Two More Spending Bills Go to Clinton

Congressional leaders and the White House finally found some agreement on the Transportation Appropriations bill and the bill funding the Department of the Interior and related agencies. Action on the bills was accompanied by a second continuing resolution to keep the government operating, extending the first one to Oct. 14.

Rep. David Obey (D-Wisc.) told the House on Oct. 3 that the reason why so little progress has been made on the appropriations bills, is because for the last ten months, instead of producing bills which were a "genuine reflection" of the will of the majority, the GOP leadership brought bills to the floor that were little more than political press releases "so that the majority party could continue to pretend that there was room in the budget to fund their huge tax packages." In order to do this, Obey argued, "they maintained the pretense that this Congress is going to spend about \$40 billion less than, in fact, it will wind up now spending." News reports now put that figure at \$50 billion.

Clinton signed the \$18.8 billion Interior bill on Oct. 11, bringing to three the number of appropriations bills that have been signed into law. However, with many intractable issues yet to be worked out, yet another continuing resolution has been mooted, this one taking the process to Oct. 21.