

Congressional Closeup by Barbara Dreyfuss and Susan Kokinda

Administration, Hill tangle on water policy

The Reagan administration's attack on the traditional role of the federal government in internal improvements and basic infrastructure has run into congressional opposition in two separate areas of water legislation. On Feb. 10, Transportation Secretary Drew Lewis presented the results of the Waterway Users Charge Study, which motivates 100 percent cost recovery to the environment and Public Works Water Resources Subcommittee. Sen. James Abdnor (R-S.Dak.), chairman of the Subcommittee, was joined by Senators Lloyd Bentsen (D-Tex.), Jennings Randolph (D-W. Va.) and Max Baucus (D-Mont.) in raising serious reservations about the study itself and about the economic impact to the grain belt of vastly increased inland waterway shipping fees.

A day earlier, in the Water Resources Subcommittee of the House Interior Committee, the administration, in alliance with zero-growth liberals, prevailed over the serious objections of Republican Congressmen in the mark-up of the water reclamation reform legislation which would increase the user fees to recipients of federally-subsidized water for irrigation. Opponents of the administration's approach vow to link up with Senate Energy Committee Chairman James McClure when the bill gets to conference, to circumvent some of the administration's more onerous provisions.

At issue in both legislative battles is the administration's notion that the federal government should either remove itself entirely from

infrastructural development projects—such as navigation or reclamation—or that the government should recover 100 percent of the cost of such projects from the users of federal projects. Lurking behind the “free-enterprise” verbiage of administration policy is OMB head David Stockman and other “post-industrial society” advocates who want to curtail infrastructural development as a way of curbing population growth and agricultural and industrial development.

This was most obvious in the House Interior Subcommittee markup, with Stockman and the administration allying with liberals such as Rep. George Miller (D-Calif.) to defeat Manuel Lujan's (R.-N.Mex.) bill which would have allowed Western agriculture to continue to receive irrigated water at reasonable cost. Stockman and the liberals pushed for, and won, a proposal for 100 percent cost recovery for any farm over 960 acres. The cost of the water would be calculated by using current usurious interest rates—rather than on the interest rates prevailing at the time the project was built.

The same “revenue-enhancement” or “cost-recovery” philosophy permeated Transportation Secretary Lewis's testimony before the Senate Water Resources Subcommittee, where he argued that “the free marketplace . . . should decide how much and which traffic should go by each mode. When not distorted by subsidy, the marketplace lets shippers decide how much of which commodity they will ship by which mode.” Farm belt Senators, led by Abdnor, were quick to point out that vastly increased water transportation costs would force agricultural shippers

back on the mercy of the railroads, or would price them out of the market altogether.

Moynihan proposes make-work schemes for unemployed Senator Patrick Moynihan (D-N.Y.) on Feb. 3 proposed legislation to deal with the unemployment crisis by forcing the unemployed into back-breaking, low-wage jobs cleaning up the nation's parks and railroad beds. The scheme, says Moynihan, is based on the New Deal's Civilian Conservation Corps, where work camps were set up in rural areas and residents of the work camps deployed on labor-intensive make-work projects.

Moynihan made this proposal supposedly to solve the unemployment crisis, a crisis caused in large part by his protégé OMB Director David Stockman.

In introducing his bill (S.2061), which targeted particularly the urban ghetto youth, Moynihan stated flatly that “The work will be hard and the pay will be low.” Nevertheless, he claimed, “it will provide employment for our young people, and it will be cost-effective.” Moynihan also claimed that such a program will “contribute greatly to the conservation and rehabilitation of our public lands.”

The co-sponsor of this scheme in the Senate is Charles Mathias (R-Md.), one of the major proponents of the Carter administration's *Global 2000 Report*, which calls for reducing the world's population by 2 billion by the turn of the century. In the House, similar proposals have been introduced by

John Seiberling (D-Ohio) and Toby Moffett (D-Conn.).

Numerous other proposals dealing with unemployment are also in the works. The Senate Subcommittee on Employment and Productivity of the Labor Committee will be reviewing manpower training programs now in effect, including CETA. The Chairman of the Labor Committee, Orrin Hatch (R-Utah), recently said "It is time to step back and evaluate all of these programs' components, their effectiveness, their costs, their accomplishments, and their potential to meet current demands on the labor market."

Congressmen back NASA increase

In hearings before the Space Science and Applications Subcommittee of the House Science and Technology Committee on Feb. 9 and 10, NASA Administrator James Beggs received unequivocal backing from subcommittee members in his continuing fight to safeguard the NASA budget from David Stockman's OMB. Subcommittee Chairman Ronnie Flippo (D-Ala.) told Beggs that "congratulations are certainly in order for your success in achieving the budget level which has been proposed." Stockman had proposed that the NASA FY83 budget be cut from the FY 82 level of \$6 billion. Beggs with strong congressional backing succeeded in provoking presidential intervention and the final administration proposal was \$6.6 billion—which leaves all existing programs intact and on schedule, but leaves no room for any new starts in

planetary exploration.

While Flippo voiced concern over the lack of new planetary starts, he said that even holding the line on the budget had to be viewed as a victory in difficult economic times. Throughout the two days of hearings, caution was expressed about keeping the civilian mission and goals of NASA intact, noting that "there is concern on the part of the committee over the militarization of the agency. While we recognize and support the separate military presence in the space program, we want to see that work continue for civilian research."

Congress defeats attempt to force Polish default

Attempts in both the House and the Senate to force the administration to declare Poland in default of its debt failed on Feb. 9 and 10 as leaders of both parties joined with the administration to defeat the amendments. Rep. Jerry Lewis (R-Calif.) and Sen. Patrick Moynihan (D-N.Y.) offered amendments on two succeeding days to the bill to increase the lending authority of the Commodity Credit Corporation (CCC) by \$5 billion. Lewis' and Moynihan's proposals would have forced the administration to officially declare Poland in default before the CCC could make good on bad loans from U.S. banks to Poland, which are guaranteed by the U.S. government.

On Jan. 29, the Reagan administration waived the "declaration of default" provision so that it could pay U.S. banks and farmers without precipitating an interna-

tional banking crisis through forcing the Polish default. In motivating his amendment Feb. 9, Moynihan countered "a declaration of default would add to the financial and economic pressure on the Polish junta and on the Soviets who helped to install it." Amendment supporter Jesse Helms (R-N. Car.) attacked the administration position as "not my idea of a policy that the American people would have expected the administration to permit when they elected Ronald Reagan to the Presidency. . . . The American people would wish to know the names of the banks in the United States who have seen fit to lend money to the dictators in Poland."

Speaking in opposition to Moynihan was Senate Banking Committee Chairman Jake Garn (R-Utah), who conceded that Moynihan's course of action might eventually be proven right, but that the international financial effect and implications for the NATO alliance had not been sufficiently analyzed. Garn announced, however, that he was preparing extensive hearings on the subject in the Banking Committee. Maryland Sen. Charles Mathias spoke out against the amendment, saying that "it will be the government of the Federal Republic of Germany which will bear the cost [of a Polish default]. . . . I think it would be taken as a step that would strike a blow at the unity of the Western alliance."

The Senate vote was 39 for the Moynihan amendment and 55 against, with 19 Republicans joining 20 Democrats on the affirmative side. In the House the Lewis amendment was defeated by a vote of 152 to 256.