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WASHINGTON POST
19 June 1984

Baker Eyes Latin Aid, Jobs Plan Split

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Senate Majority Leader Howard H. Baker Jr. (R-Tenn.), smarting from Democratic attacks, said yesterday that he is willing to cut loose and pass a \$100 million summer jobs for youth bill that has been a hostage for \$21 million President Reagan wants in emergency aid to rightist rebels in Nicaragua.

Early this morning, continuing work on the fiscal 1985 defense authorization bill, the Senate rejected, 58 to 38, a proposal to phase out aid to Nicaraguan rebels, or "contras."

Earlier, it rejected, 63 to 31, an amendment to bar use of U.S. combat troops in El Salvador of Nicaragua without prior congressional approval.

The margin on contra aid was narrower than a 61-to-30 vote in April against ending the assistance. The margin on combat troops was wider than the 59-to-36 verdict two months ago against a similar move to bar use of such troops in El Salvador.

Republican leaders were worried enough about the vote on contra aid that they summoned Vice President

Bush to the Senate about midnight in case he were needed to break a tie.

The House has approved banning U.S. combat forces in Central America and refused to sanction further aid to the contras, putting the two houses on collision course on both issues for next year and on the issue of further contra aid for this year.

On the summer-jobs issue, Baker told a reporter, "One way or another, we've got to get [it] done," an elaboration of his cryptic comment on an interview show Sunday.

Baker and House Speaker Thomas P. (Tip) O'Neill Jr. (D-Mass.) have been locked in a lengthy standoff over an omnibus supplemental spending bill for this year that includes the summer-jobs money and funds for the contras.

Sen. Alan J. Dixon (D-Ill.) said Baker also indicated another way of handling the problem—allowing the Senate to vote later this week on a Democratic proposal to strip the pending omnibus bill of aid money for the contras.

The impasse took on ominous proportions for the Republicans last week as Democrats, led by O'Neill, scored political points with a complaint that summer-jobs money was being held hostage for passage of the contra aid, a high-priority item for the Reagan administration.

The Republican-controlled Senate had approved the contra aid, but the House refused to do so. As long as the two remain linked, without a vehicle for passage of either part separately, the jobs money cannot be approved.

Unless the jobs money is approved before the July 4 recess that starts in about 10 days, lawmakers fear that it will be too late to do any good.

The \$100 million is on top of \$724 million approved earlier by Congress for youth jobs this summer and would bring the funding for this year up to last year's level. It would provide an additional 100,000 jobs.

Baker said he has signaled to O'Neill his willingness to consider a separate summer-jobs bill if the House, which must originate spending bills, sends one to the Senate.

Baker had said the jobs money and contra aid should be included in the same bill.

O'Neill said the pending measure, which includes a less controversial provision for \$62 million in aid to El Salvador, should be stripped of the contra aid. He has said the House will not approve any contra money.

O'Neill was out of town yesterday, but an aide said that, while the speaker would still like to pass the pending bill without the contra aid, he would consider Baker's offer of a separate summer-jobs bill.

"He's anxious to produce the money as soon as possible.... Obviously, we will explore whatever options are open," the aide said. But he expressed reservations about whether the Senate would act swiftly and without encumbering amendments.

Asked if early, separate action on the summer-jobs money would reduce leverage for passage of the contra aid, Baker said, "I suppose so, but, by the same token, we've got to get the summer-jobs money."

Baker said he will continue to press for quick action on the omnibus measure. He said he "expects" approval of the El Salvador money and "hopes" for inclusion of the contra aid.

Asked if the administration goes along with his plan to move ahead with the summer-jobs appropriation, Baker said, "I haven't asked."

The administration originally opposed additional money for summer jobs but accepted it in a compromise that included the El Salvador and Nicaragua money.

The Senate debate on defense authorization extended past midnight after Sen. Daniel K. Inouye (D-Hawaii), architect of earlier bipartisan compromises on aid to Nicaraguan rebels, made the surprise proposal to end such aid next year.

Inouye proposed providing \$6 million through September to phase out aid to the contras in what he called a "humanitarian way," thereby eliminating the \$28 million for the contra program recommended earlier by the Senate intelligence committee for next year.

He said he is reversing course in part because the contra-aid program is "slowly but surely eroding whatever credibility is left for our Central Intelligence Agency."

In opposing the proposal, Senate intelligence committee Chairman Barry Goldwater (R-Ariz.) said it would leave Sandinista-backed guerrillas free to continue the "spread of death and destruction in El Salvador."

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