

Economy's strength boosts U.S. revenues

WASHINGTON (AP) — Whether it's cramming more spending into the budget or easing voters' worries about Social Security and Medicare solvency, politicians' jobs are being made a whole lot easier by the blazing economy.

For reasons the experts have yet to fully grasp, the economy is growing at breakneck speed, causing revenue to cascade into federal coffers and budget surpluses to swell. What once seemed unaffordable is now deliverable for President Clinton and Congress, a delectable election-year scenario for incumbents.

"It's like a small businessman who wakes up and finds he has more money in the cash register than he ever thought possible," said Richard May, a consultant and former Republican staff director of the House Budget Committee. "And he not only doesn't have to shut the shop down, he's going to make money."

Want to boast to voters that you will shrink the government's \$3.6 trillion publicly held debt by at least \$1 trillion over the next five years? A GOP-written fiscal 2001 budget that Congress hopes to finish in two weeks and Clinton's rival spending plan both make that once implausible promise, and many expect them to deliver.

How about squeezing some extra money for defense and farmers, and to battle drug producers in Colombia into this year's budget without tapping Social Security surpluses? That's what a \$13 billion measure passed by the House last week would do, with billions of dollars to spare.

And how about reassuring Americans that Medicare will have enough money until 2023, and that Social Security won't run dry until 2037? That's what trustees for both programs reported last week, easing whatever political pressure lawmakers faced to shore up either one for the retirement of the baby boom generation.

All this because, after three decades of annual budget deficits, the government turned a \$69 billion surplus in 1998. Projections are for growing black ink for the next decade and beyond.

Some credit for this has to go to savings enacted in the 1990 budget deal between President Bush and Congress, and subsequent pacts between Clinton and lawmakers in 1993 and 1997.

But mostly, analysts credit the federal surpluses that

politicians are enjoying to high technology, the surging stock market and other forces driving today's economy.

Just last week, the government said the economy grew at a 7.3 percent annual rate for the last quarter of 1999, the steepest jump in close to 16 years.

Thanks to the economy's strength, federal revenues have consistently and dramatically outpaced official expectations in recent years, bringing with them the record budget surpluses considered unattainable a few years ago.

When Republicans took over Congress in January 1995, the nonpartisan Congressional Budget Office projected a \$253 billion federal deficit for fiscal 1999, with even deeper shortfalls on the way. But when the books closed Oct. 1 on fiscal 1999, there was a \$124 billion surplus — a \$377 billion improvement. Surpluses are still growing. Between January and March, the Congressional Budget Office raised its surplus projection for 2000 by \$3 billion to \$179 billion. Private analysts say the figure could hit \$210 billion by year's end.

Both parties have promised not to touch the part of the surplus that comes from Social Security. CBO estimated in March that this year's non-Social Security surplus will be \$26 billion, which lawmakers feel free to use for higher spending, cutting the gasoline tax or debt reduction.

But that figure should also grow, perhaps to \$40 billion, experts say. So far, these non-Social Security surpluses have been big enough to satisfy lawmakers' urges to boost spending and cut taxes without eroding Social Security funds.

But the money is not limitless. Republicans omitted George W. Bush's proposed five-year, \$483 billion tax cut from their budget, partly for fear that the GOP presidential candidate's plan would indeed eat into Social Security money.

And to fit their tax and spending plans into next year's budget, both Clinton and the GOP are using accounting gimmicks. Among other tricks, both would push a federal payday and scheduled payments to some defense contractors from the first days of fiscal 2001 into the last days of fiscal 2000, freeing up \$7 billion in next year's budget.

But thanks to the economy, politicians' toughest budget task these days is deciding which goodies to disperse to the public.

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Israeli vision of Palestinian state is found unacceptable

RAMALLAH, West Bank (AP) — Israel accepts the inevitability of Palestinian statehood, a top Palestinian negotiator said Sunday — but it envisions the state as unnatural "islands in an Israeli ocean," an outcome that would be unacceptable to Palestinians.

Yasser Abed Rabbo, who is leading talks with Israelis in Washington, said there has been little progress in bridging gaps that led to a breakdown in negotiations in February. The renewed U.S.-sponsored talks aim for an outline of a final agreement by May and a full-fledged agreement by September.

Abed Rabbo said Israel's insistence on limited statehood, as well as its refusal to accommodate Palestinian refugees, "is the most dangerous issue we are facing."

Israel has not formally proposed such a state, and Israeli Cabinet Minister Haim Ramon described Abed Rabbo's perception of Israel's position as "extreme."

Abed Rabbo said Israel had dropped its opposition to the Palestinian state Yasser Arafat hopes to declare by September. The problem, he said, is Israel's vision of that state.

The West Bank would be divided into two clusters of land connected by a passage. Along with some West Bank suburbs

of Jerusalem, the proposed state would cover about half the current West Bank.

Israel would control two Palestinian border crossings in Jordan, as it now controls the border crossing between the Strip and Egypt. Large Jewish settlements would be controlled by Israel, and Israel would also control security on many

Abed Rabbo said that proposal — which he described as "lands in an Israeli ocean" — is unacceptable to Palestinians. He repeated demands for the return of all Palestinian lands captured by Israel in the 1967 Mideast war.

Ramon, who is close to the negotiations, said the sides are not so far from agreement on most issues.

"At the end we will reach an agreement with the Palestinians over a Palestinian state," Ramon said. "It will not be that the Palestinians could not accept."

Ramon said Israel sees a Palestinian state with limited sovereignty, especially over security matters.

He suggested postponing discussion of Jerusalem, but both sides as their capital, for a few years in order to reach agreement on the other issues by September. Abed Rabbo rejected the idea.

Ambush investigation pursued by Russian defense minister

GOISKOYE, Russia (AP) — Russia's defense minister on Sunday sharply criticized the military command in Chechnya for an operation that left at least 43 Russian servicemen dead after an ambush by Chechen rebels.

Defense Minister Igor Sergeev, who was observing military maneuvers in Tajikistan, said there will be an inquiry to determine who is to blame for the ambush and to what extent, Interfax news agency reported.

"We are ready to expose these mistakes since if problems and mistakes are not revealed, it will be impossible to eliminate them," Interfax quoted him as saying.

He blamed the "inadequately firm centralized command and a lack of efficiency among officials to cope with duties assigned by the Interior and Defense Ministers" for the debacle, according to Interfax.

Col. Ilya Lukin, deputy commander of Russian forces in the Vedeno district of

Chechnya, told Interfax on Sunday that 37 soldiers from a unit of OMON special troops from an Interior Ministry unit were killed in Thursday's ambush.

Six soldiers from a regular army unit sent to help them following the attack also died. At least 11 servicemen were still missing Sunday.

The ambush was the latest in a series of attacks that inflicted heavy losses on the Russians, showing their vulnerability to the rebels despite their claims to have defeated the rebels and restored federal control over Chechnya.

The defense minister said federal forces have destroyed all major rebel groups in Chechnya. "There are no large pockets of resistance left in the republic," he said. "The militants have been scattered in small groups."

Speaking in an interview on the Itogi weekly news program, Col. Gen. Gennady

Troshev, a top commander in Chechnya, said the major error was to have OMON unit travel a road that was under Russia control and was not covered by ground and air cover. He also blamed reconnaissance for the attack.

Rebel bands are stepping up their campaign to sabotage Russian troops. A number of ambushes on motorcade convoys is on the increase, the command's press service told Interfax on Sunday.

There has been no let up in rebel attacks to infiltrate villages in southern Chechnya in order to replenish dwindling food stocks, the press service said.

Russian artillery has been bombarding rebel positions overnight on Sunday around the southern town of Tsa-Vedeno, Tangi-Chu and Tsemter, Interfax reported.

FINAL PAPERS ARE DUE.

Monday, April 3, 2000

They have no morals. They have no name. The words honesty and decency have no meaning to them. They rely on the weak-willed and the easily influenced. If they could, they would sink their greedy claws into the Internet, local unsuspecting victims. This is what they would use car dealers. Traditionally the subject of business, used car dealers on the information highway. Earlier this month the Transportation Department's "Ford" was closed. Officials pending review the way it operates or people buying. Although looking legal in the state, shut down because in automotive purchasing of vehicles, a car away with the seller people buy a ship to the port. According to the Enforcemen ready to buy cars over. Several other metro areas and San Francisco.

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Study

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Once again a designed to enlighten been overlooked by the National Sleep Week has passed America by. The project at the National Sleep Foundation over the days and information about to sleep correctly. The full of bad sleep. As with most awareness knowledge-turning. However, National should have caught changes should have sleep-deprived life. Forty percent of sleepy their daily to the National Sleep Americans claim Age — the nation ever, with abundant information. Unfortunately them little good will continue to ignore top in bed. Instead, people less television show they drink caffeine two substances pro. A sleep debt for get enough sleep. Eight nights in a row though it has pulled easy — the body's. Most American huge sleep debts th extra hours on Saturday USA Today. These debts are longer reaction time traffic accidents. Even though the Americans' attention newspapers, Oprah