

Congressional Closeup by Carl Osgood

GOP tax cut bill passed by House

On Sept. 25 and 26, the House passed the GOP tax cut bill, which had been marked up by the Ways and Means Committee the previous week. It came out of the committee as two bills: One, which passed by a vote of 240-188, would set aside 90% of the projected budget surplus for Social Security, and the other, which passed 229-195, would provide \$80 billion in tax cuts over the next five years.

Democrats tried to change the surplus set aside to 100%, and to put the tax cuts on hold until there is an operating budget surplus that does not include the Social Security trust fund.

The debate was highly partisan and ideological, and the fact that it took place only weeks before an election was not lost on Democrats. Ways and Means Committee Chairman Bill Archer (R-Tex.) repeated the usual GOP mantras about politicians and government spending. "The best way to stop the politicians from spending the taxpayers' money," he said, "is to take it away from them before they can waste it."

Democrats pointed out that the budget figures include the Social Security trust fund, an accounting trick used since the 1960s, and one that some Democrats, such as Sen. Ernest Hollings (S.C.), have been trying to eliminate. They accused Republicans of raiding the Social Security trust fund to pay for their tax cuts. Rep. Charles Rangel (D-N.Y.) said that the politicians that Archer referred to "have to be those who have the majority. They are the ones that have their fingers in the cookie jar," and "the taxpayers put in the cookies for the Social Security trust fund."

More to the point, is whether the projected budget surplus actually exists, or, even if there is a surplus for

fiscal year 1998, what will happen in 1999 and beyond. Rep. Ron Kind (D-Wisc.) warned that the projected budget surpluses may never materialize because of the international economic crisis, a crisis which the GOP leadership has so far refused to address.

President Clinton has announced that he will veto the bill, but it remains to be seen how the Senate will handle it. Senate Majority Leader Trent Lott (R-Miss.) has hinted that the bill may be included in an omnibus spending measure that would wrap up the appropriations process. Minority Leader Tom Daschle (D-S.D.) suggested on Sept. 29 that if the bill comes to the floor, Democrats may not filibuster it, because it has no chance of becoming law anyway.

Bankruptcy 'reform' clears Senate chamber

On Sept. 23, the Senate passed the bankruptcy reform bill by a vote of 97-1. The bill changes bankruptcy procedures based on the assumption that the skyrocketing rates of personal bankruptcy filings over the last few years has been the result of "abuse of the system," and not of the economic crisis. The bill makes Chapter 7 bankruptcy more difficult, by giving a bankruptcy judge more authority to convert a Chapter 7 filing (liquidation) to Chapter 12 or 13 (adjustment of debt).

The Clinton administration prefers the Senate version over the House version passed in June, because it has better consumer protections against unscrupulous creditors.

However, the most significant vote on the bill came on an amendment introduced by Edward M. Kennedy (D-Mass.), to increase the minimum wage

to \$6.15 an hour by the year 2000. It was tabled by a vote of 55-44. Typical of GOP arguments was Don Nickles (R-Okla.), who, while acknowledging the difficulty of making a living on \$5.15 an hour, ridiculed the notion that the government should make it illegal to work for less than \$6.15 an hour. To do so, he said, is like saying, "If your job doesn't pay this much, we would rather have you unemployed."

Richard Durbin (R-Ill.) replied, "It is a sad day when we have reached the point when the U.S. Congress is so unresponsive to the reality of workers in America, so insensitive to what is really going on among workers in businesses across the United States."

Just before the vote, Minority Leader Tom Daschle (D-S.D.) said that Republicans who otherwise might support a minimum wage increase, were told by their leadership not to vote for it this time.

Administration defends its North Korea policy

Ambassador Charles Kartman, the Clinton administration's special envoy on Korea, along with Ambassador to South Korea Stephen Bosworth and Deputy Assistant Secretary of Defense for Asia and the Pacific Kurt Campbell, appeared before the House International Relations Committee on Sept. 24 to defend the administration's policy toward North Korea. Before they could start, however, they were subjected to a tirade from committee chairman Ben Gilman (R-N.Y.), who declared that U.S. policy has only benefited North Korea. U.S. generosity in supplying food aid and heavy fuel oil, he said, "has led North Korea to believe that there is no cost to continuing its nuclear program, the proliferation

of weapons, incursions into the South, the firing of missiles, the abuse of human rights, starving its own people to feed the party and its military, the trafficking of narcotics and the counterfeiting of American dollars." He added that the administration should rethink U.S. policy, because it "presents us with a false choice, support the agreed framework or go to war." Gilman's offered alternatives excluded any engagement with North Korea.

Lee Hamilton (D-Ind.), the ranking minority member on the committee, warned that without the 1994 framework agreement, there is no strategy for preventing North Korea from resuming the production of nuclear weapons materials. "If we fail to live up to our commitments," he said, "the North Koreans will have no incentive to live up to their commitments." This would mean that "the North would throw out the international inspectors, who for the past four years have been monitoring North Korea's principal nuclear facilities."

Confrontation looms on appropriations bills

The Senate passed the conference reports on the Defense and Energy and Water Development appropriations bills on Sept. 29, the day before the end of the 1998 fiscal year. They are only the third and fourth of the 13 spending bills to be readied for President Clinton's signature. The Legislative Branch bill was passed a few days before. Two other bills, the Treasury, Postal Service bill and the Agriculture bill, are both held up in conference over disagreements between the House and the Senate on abortion language that the House inserted into both bills, and which the administra-

tion objects to.

President Clinton blasted the GOP for the slow pace just before he departed for a three-day campaign trip on Sept. 25. He told reporters that the Continuing Resolution to keep the government open through Oct. 9, which he had signed just a few moments before, "is a regrettable sign that the Republican majority in Congress has failed to address the urgent priorities of the American people. . . . By failing to meet its most basic governing responsibility, the Republican majority in Congress has its priorities wrong: partisanship over progress, politics over people."

Republicans reacted angrily to the President's remarks. Senate Majority Leader Trent Lott (R-Miss.) told reporters, "He can't come out here and take potshots at us, that are not even accurate, and then say, 'Oh, and by the way, we got to work together.'" House Republican Conference Chairman John Boehner (Ohio) said, "When the President attacks us for not doing the people's business, the fact is we have been doing the people's business, and we've been doing it all year." He complained that "legislating is hard work, and we could accomplish a great deal more if the President of the United States would engage himself in the legislative process."

Fast-track authority defeated in the House

Legislation that would have given the President fast-track trade negotiating authority was defeated in the House by a vote of 180-243 on Sept. 25. Last November, the bill had been pulled from the floor because not enough Democrats could be mustered to support it. Now, even though nothing had

changed to increase Democratic support, the GOP leadership brought the bill up anyway.

Republicans maintained that further opening-up of overseas markets is the key to overcoming the global economic crisis. Ways and Means Committee Chairman Bill Archer (R-Tex.) said, "There are only a few things that we in America can do to increase our ability to be a bulwark against decaying economies around the world and prevent their ultimately enveloping us," and that is to "demonstrate a clear commitment to resist the suggestiveness of protectionism, protectionism which could drag the whole world into depression."

Many Democrats supported for fast track in principle, but they could not support this bill because the GOP brought it up as a pre-election gimmick, knowing they would lose the vote. Bob Matsui (D-Calif.) said, "When the Republican leadership decided to bring fast track up in the waning days of Congress, there was little attempt to disguise the motivations, the political motivations, behind it." He said, "The sensible and rational thing to do, if we want to pass it, would be to make changes to add additional support, but that simply has not happened."

At the conclusion of the debate, Speaker Newt Gingrich (R-Ga.) came to the floor to try to set up Democrats to take the blame for the international economic crisis. "It is sad to see," he said, "the partisan politics of the unions and the Democratic Party. . . . But if this goes down and we end up in a steep worldwide recession, some of us will have had the comfort of knowing we cast the right vote, we sent the right signal, and we tried to sustain what has worked for 50 years and not let the world slide back to what failed in the Great Depression."