

Congressional Closeup by Carl Osgood

Tax cut bill passes Senate

The Senate took three days to pass its version of the \$792 billion tax-cut bill that passed the House the previous week. Instead of a broad-based 10% tax rate cut, the Senate version reduces the 15% tax-rate bracket to 14%, and increases the bottom bracket's income ceiling. It also reduces the estate tax, eliminates the so-called marriage penalty, and exempts from taxation, the first \$1,000 of long-term capital gains.

Finance Committee Chairman William V. Roth (R-Del.), the architect of the legislation, and co-author of the disastrous Kemp-Roth tax cuts of the 1980s which fuelled speculation, told the Senate on July 28 that the economy is "booming," and that Congress miscalculated what government revenues would be during the budget-balancing efforts of 1997. He argued that because of this unexpected windfall, the government must return the extra money expected to pour into its coffers to taxpayers, in the form of tax cuts.

Patrick Moynihan (D-N.Y.) answered Roth's argument by putting it into an ideological perspective. He said the debate "is far less a debate on taxes than a debate on economic and budget policy and the large understanding of the role of government in our society." He said that the GOP argument "goes back to the 1970s when a number of theorists on the conservative wing of the Republican Party determined that it was not going to be possible for the Federal government ever to be controlled in its size as long as it had the revenues to sustain, or even to increase, that size." Growing fiscal deficits, therefore, became attractive, he said, "because they could be used to reduce the size of government itself."

The GOP bore out Moynihan's ar-

gument by rejecting numerous Democratic attempts to make the bill address general welfare issues, such as Social Security, the minimum wage, the farm income crisis, and the effects of the 1997 Balanced Budget Act on Medicare-related health care services. The final vote on the bill was 57-43, with two Democrats, Robert Torricelli (N.J.) and Bob Kerrey (Neb.), voting for it.

The GOP strategy now is to take the bill to conference before the August recess, but to withhold it from a final vote in both Houses until September. The GOP hopes that by using appropriations bills as leverage, they will be able to force President Clinton to sign the bill. He has said he would veto it.

Normal trade with China backed by House

On July 27, the House turned back yet another resolution that attempted to withdraw China's normal trade relations status with the United States, which President Clinton had renewed in June. The leading backers of the resolution included Frank Wolf (R-Va.), Dana Rohrabacher (R-Calif.), and Nancy Pelosi (D-Calif.), who have been sponsoring the effort for the last several years. Joining them, were pro-labor Democrats, such as David Bonior (D-Mich.), who are foolishly misguided on China human rights issues. The vote of 170-260 was only four votes closer than last year, despite the media campaign against China as a result of the fabricated nuclear spying charges.

In the debate, House Ways and Means Committee Chairman Bill Archer (R-Tex.) said that while the problems between the United States and

China should not be minimized, "We should respect the significance of each and resolve to improve the situation. We should certainly not take steps that would cause relations to deteriorate even further, for America, for China, and for the entire world in the future." Ranking Ways and Means Committee member Charles Rangel (D-N.Y.) said, "There is a lot of hypocrisy in terms of America's ability to monitor [human rights and labor conditions] all over the world and, at the same time, to ignore many of the inequities that exist in our own country," such as the 1.8 million people locked up in American jails.

Gun control issue refuses to die

The juvenile justice bill headed into a contentious conference, after the Senate and the House voted to appoint members of a conference committee on the bill on July 28 and 30, respectively. In appointing conferees, both bodies also addressed the gun control issue.

The Senate debate began with a cloture vote on the bill, but not before Bob Smith (I-N.H.) had defended the House bill for bringing "back morals into the school" and for focussing on "the cultural problems that face us." He complained that what the Senate was doing by substituting the Senate language for that of the House (a routine procedure), was to "substitute gun control for a very good bill that focuses on the cultural and moral problems in our schools." Smith, however, lost the cloture vote 77-22.

Two days later, the House voted to instruct its conferees to insist on including measures to require background checks at gun shows. The mo-

tion, by John Conyers (D-Mich.), also instructed conferees to finish the conference report before the August recess, "so that Congress can pass reasonable gun safety measures before children return to school."

Conyers's motion did not generate the rancor that accompanied the debate in June, however. In fact, the only real concern was the time limitation. Judiciary Committee Chairman Henry Hyde (R-Ill.) noted the difficulties of trying to hold conference committee meetings during the last week before the summer recess. The interruptions that voting on the numerous spending bills that will come to the floor would cause, "might be enough to prevent us from finishing within a week," he said.

Cambodia loses aid, in Rohrabacher bill

On July 29, the House passed by voice vote an amendment to the Foreign Operations Appropriations bill, sponsored by Dana Rohrabacher (R-Calif.), that deleted all U.S. aid to Cambodia. Rohrabacher, in motivating support for his amendment, outrageously charged Cambodian Prime Minister Hun Sen with having been a "brigade commander" under Pol Pot, "who was up to his elbows in blood during the Pol Pot massacres." He cited reports from Amnesty International and George Soros's Human Rights Watch describing "rampant abuses" and corruption by the government of Hun Sen. "Unfortunately," he said, "the inclusion of Prince Norodom Ranariddh and his Funcinpec Party in a coalition led by Hun Sen has not reduced this corruption."

In opposing the amendment, Tony Hall (D-Ohio) focussed on the poverty that he had witnessed during a

visit to Cambodia last April. He reported that four out of five people cannot read, and that their level of hunger and malnutrition is among the highest in the world. "All that is required of us, today," he said, "is to affirm that humanitarian aid still means educating young children so that they can escape the poverty they were born into." He ridiculed Rohrabacher's claims of having visited Cambodia himself, saying that "the Pol Pot legacy lives on, and [Rohrabacher] wants to keep them this way."

Two other amendments were added to the bill dealing with funding for abortion activities. One, sponsored by Chris Smith (R-N.J.), prohibits funding to any foreign organization that promotes abortion, and the other, sponsored by James Greenwood (R-Pa.), prohibits funding for population planning activities unless the organization applying for the funds certifies that the funds will not be used to lobby for abortion. The amendments were both highly partisan and are likely to draw veto threats.

Republicans push to finish spending bills

The GOP leadership of both Houses has been setting a feverish pace to act on as many of the 13 spending bills as possible before the August recess. The GOP leadership is trying to prove they deserve to remain in control of Congress by doing something they have never yet succeeded in doing since they became the majority in 1995: pass all 13 spending bills and have them signed into law before the end of the fiscal year on Sept. 30.

The largest obstacle the Republicans face, is the budget caps imposed by the 1997 Balanced Budget Act. The

fiscal hawks in the Republican Party are insisting that the caps must be maintained at all costs, by both Congress and the White House. GOP moderates, however, are more concerned about writing bills that can be passed, and are agitating for increases in the caps. Members of the Appropriations committees, meanwhile, are resorting to more creative means to pass out bills.

The Commerce, Justice, State and the Judiciary spending bill passed by the House Appropriations Committee on June 30 is a case in point. The committee, faced with a Supreme Court ruling that essentially requires the Commerce Department to do two different censuses next year, one that is a full enumeration, and the other that uses sampling techniques, decided to designate \$1.7 billion for the Census Bureau as emergency funding, thereby getting around the budget caps.

House Minority Leader Richard Gephardt (D-Mo.) ridiculed the notion of calling the census an "emergency," and said that doing such things "destroys the credibility of the budget."

Other spending bills contain funding levels that are drawing veto threats from the White House. On July 30, the House brought a Foreign Operations bill to the floor that is \$2 billion less than the Clinton administration's request. The Veterans Affairs-Housing and Urban Development Appropriations bill zeros out the Americorps service program and reduces the NASA budget by \$900 million below the administration's request. The Republicans assuaged some Democratic anger by adding \$700 million for veterans' medical care, but in the zero-sum game of budgetary politics, they took it from the allocation for the Labor-Health and Human Services-Education bill, which is traditionally the most difficult to pass.