

Congressional Closeup by William Jones and Carl Osgood

Dole revives move of embassy to Jerusalem

Senate Majority Leader Bob Dole (R-Kan.) on Oct. 13 revived a measure that would force the U.S. government to move its embassy in Israel from Tel Aviv to Jerusalem. Sixty-one senators have co-sponsored the bill, which will throw a monkey wrench into the Middle East peace process. The Israeli government of Prime Minister Yitzhak Rabin and the Palestine Liberation Organization have put the issue of Jerusalem's status at the very end-phase of the peace process because of its controversial nature.

The measure is strongly supported by the Anti-Defamation League of B'nai B'rith, which has not coincidentally also attacked the peace process and Prime Minister Rabin. The United States and most other nations have not moved their embassies to Jerusalem precisely because of the city's disputed status.

Jews, Christians, and Muslims consider Jerusalem a holy city. The eastern half of the city was taken by Israel during the 1967 War, but it is claimed by the Palestinians. U.S. ambassador to Israel Martin Indyk warned that if Congress thus acts to recognize Jerusalem as Israel's capital, it "would explode the peace process" and "put us out of business as a facilitator."

Cuba sanctions stalled by Democratic filibuster

Senate Majority Leader Bob Dole (R-Kan.) failed, in a 56-37 vote (short of the necessary 60 votes) on Oct. 12, to invoke cloture and end a Democratic filibuster against a bill that would tighten sanctions against Cuba, an initiative sponsored by Jesse Helms (R-N.C.) in reaction to President Clinton's move to relax travel and finan-

cial restrictions against the island nation. Similar legislation has been introduced in the House by Dan Burton (R-Ind.).

Dole plans to make another attempt to pass the measure, but ultimately, in order to override what would be a certain Presidential veto, Dole would need 67 votes.

The legislation is meant to isolate Castro and strangle his regime financially, to "set his tail feathers afire," said Helms. One provision would reduce or cut off aid to Russia and other former Soviet bloc countries that do business with Cuba. Another would allow U.S. citizens to sue foreign interests that knowingly buy, use, or profit from property confiscated from those individuals, even if they were not U.S. citizens at the time—a measure that would clog the U.S. courts with litigation.

Republicans tying tax cut to debt limit

Republicans are intent on linking their "balanced budget" to an extension of the nation's debt limit, according to Sen. Connie Mack (R-Fla.), chairman of the Joint Economic Committee. This risks the credit standing of the United States.

Mack repeated the insane arguments of House Speaker Newt Gingrich (R-Ga.), that if the United States defaults on its debt as a result of the debt ceiling not being raised, the markets would react positively. In fact, such a default could trigger a collapse of the financial markets. At the moment, it seems as if there is a standoff between the Republican Congress and the Clinton administration.

"It seems logical to me," said Mack, "that if the Congress of the United States is being asked to increase the debt limit of the nation, we

ought to have a plan about how we're going to deal with taxing and spending over the next seven years. And therefore, if there is no plan, there should be no increase in the debt ceiling."

On "Face the Nation" on Oct. 15, Deputy White House Chief of Staff Harold Ickes warned that the administration is not going to be blackmailed by Republican tactics of waiting until the last minute to send the appropriations bills to the President in a gesture of "sign or else." Treasury Secretary Robert Rubin warned on Oct. 12 that the federal government will reach the limit of its borrowing authority on \$4.9 trillion in debt on Oct. 31, rather than on Nov. 15, as Republicans claim.

Capital gains tax cut nears committee okay

Republican members of the Senate Finance Committee on Oct. 13 reached agreement on a \$245 billion capital gains tax cut that would reduce tax rates on the sale of investments that have increased in value since their purchase. In order to give this tax break for the wealthy a more populist garb, Republicans have added an annual \$500-per-child tax credit for middle-income families starting next year.

The credit, worth \$147 billion, would go to single parents earning less than \$75,000 a year and couples earning less than \$110,000 a year. The House version would extend the tax credit to families earning up to \$200,000 a year. In addition, the legislation includes expanded write-offs for business investments, inheritance tax reductions, and a 50% tax exclusion for people who realize capital gains from the sale of stocks, bonds, or other investments. The House version would even allow big corporations to raise revenue by withdrawing "excess" money from their pension

funds, and would then tax the withdrawals! There is a consensus among pension experts that such a prerogative would endanger the retirement security of U.S. workers.

Medicaid coverage for disabled threatened

Senate Republicans, in their attempt to whittle down the Medicare insurance program, are now considering eliminating Medicaid coverage for the disabled. The move reverses a compromise that had been made with John Chafee (R-R.I.), who had insisted upon an amendment assuring Medicaid coverage for the disabled, pregnant women, and impoverished in exchange for his support for the Republican plan.

The committee passed the Chafee compromise in a 17-3 vote. But then, Utah Gov. Michael Leavitt and 23 other Republican governors protested, saying that the compromise would be an entitlement and thus become an "unfunded mandate," something the Republican-dominated Congress had earlier voted to eliminate. Under pressure from the Republican governors, Republican senators reneged on the compromise. The attack on the disabled could endanger support for the plan from moderate Republicans.

Democrats and advocates for the disabled have accused Republicans of reneging on the commitment to Chafee. Jay Rockefeller (D-W.V.), a member of the Finance Committee, charged the Republicans with "closed-door dealings" to subvert the will of the committee. "Is this the United States Senate or the Twilight Zone?" he asked. "We are through the looking glass, folks—when votes don't count and history can be rewritten."

About 4.9 million Americans with

physical and mental disabilities now qualify for Medicaid. Martha Ford, assistant director for government affairs for the ARC, a national organization on mental retardation, commented, "To disregard people with disabilities that easily, is frightening for us and outrageous."

Gingrich book deal may go to an independent counsel

The House ethics panel, consisting of five Republicans and five Democrats, must now decide whether a special counsel should be appointed to continue the investigation of House Speaker Newt Gingrich (R-Ga.).

Republicans on the panel want to limit the counsel's scope to possible violations of tax law in the funding of a college course Gingrich taught in Georgia while in Congress.

However, the committee is now trying to determine who made bulk purchases of Gingrich's book *To Renew America*, published by Harper-Collins, a firm owned by media mogul Rupert Murdoch. If sales were prearranged, or were made by groups or individuals with an interest in Gingrich's legislative agenda, this would be a violation of House rules.

Rural America hit by GOP cuts, Dems say

Democrats from the House, Senate, and the administration denounced Republican-proposed budget cuts as a severe blow to farmers and rural America, at a press conference on Oct. 11, calling it "The Raid on Rural America." House Minority Leader Richard Gephardt (D-Mo.) said the cuts in Medicaid and Medicare will have a disproportionate effect on rural hospitals, and labeled it a "scorched-

earth policy." He said 2 million people will be affected by the cuts.

White House Chief of Staff Leon Panetta said that 1 million children would lose benefits, and that this would hurt the elderly and the disabled. Agriculture Secretary Dan Glickman said he wanted to be an advocate for rural America, which is struggling with 40% of its population already below the poverty line.

Senate Minority Leader Tom Daschle (D-S.D.) said rural residents will be facing a situation in which they will have to drive 100 miles to a hospital because many hospitals will close because of the Medicare and Medicaid cuts. Sen. Bryon Dorgan (D-N.D.) remarked that the ruling party knows how to eat, but they don't know where food comes from. Sen. Kent Conrad (D-N.D.) compared the effects of the proposed cuts to a neutron bomb—the buildings will be there, but the people won't.

Clinton threatens to veto GOP budget measure

The House Budget Committee passed a budget reconciliation resolution in a 24-16 party-line vote on Oct. 12. President Clinton said that he would rather lose an election than sign the legislation, calling the cuts "excessive" and "not necessary" to balance the budget.

The vote came two days after Republicans broke off talks with the White House on a budget compromise. The committee avoided action on several measures which the Republicans felt would hurt them politically, including Medicare, which Republicans intend to cut severely; tax cuts, which must be reduced to \$245 billion from the \$354 billion promised by the Contract with America; and welfare reform measures.