

## Gingrich holds government hostage, as backlash grows

by William Jones and Susan Welsh

As 1995 drew to a close, President Clinton and the nation were still being held hostage by the Conservative Revolution gang in the U.S. Congress, led by Speaker of the House Newt Gingrich (R-Ga.) and his bloodthirsty freshmen Jacobins. But a backlash is building against the Gingrich program of gouging entitlements such as Medicare, Medicaid, and Social Security, while giving a tax-break bonanza to the rich.

The new president of the AFL-CIO, John Sweeney, threw down the gauntlet to the Conservative Revolution in a speech on Dec. 15, warning that the trade unions would begin targeting districts of those Republicans pushing the conservative agenda. Speaking at the National Press Club in Washington, D.C., Sweeney said, "I don't think that the majority of the Congress was elected to cut back on all of the social programs that this nation has built up over the past 50 years, and I would look forward to seeing some Republicans elected who would be more progressive in dealing with the economic issues and the other issues that America's workers are so concerned about." He added that "until that time, we will have to continue working with those members of the Democratic Party who are supportive of those issues and who do want to realize that there is a crisis with working families all across the country."

The Schiller Institute, founded by Helga Zepp LaRouche, has launched a national mobilization to defeat Gingrich and his policies. The Institute sponsored an ad in the *Washington Post* on Dec. 12, signed by 100 state legislators, former U.S. congressmen, and civil rights and labor leaders, exposing the unconstitutionality and immorality of Gingrich's actions, including his shutdown of the federal government.

At a press conference sponsored by the Schiller Institute in Memphis, Tennessee on Dec. 28, elected officials and

constituency leaders mobilized support for the anti-Gingrich effort. The speakers were state Rep. Joe Towns of Memphis; Danny Todd, president of Firefighters Local 1784; and Clyde Sanders, vice-chairman of the State Legislative Committee for the American Association of Retired Persons (AARP). Also attending were two former state representatives, Alvin King, a founder of the Tennessee Black Caucus who served in the legislature for 24 years; and Ira Murphy, a former state legislator and General Sessions judge. The speakers stressed that no budget can be balanced at the expense of the poor, working people, the sick, and the elderly. AARP representative Sanders stressed the devastating effect of the budget cuts on seniors, citing the impact of cuts in Medicaid and Medicare. Sanders urged all seniors to write and call their congressmen.

On the same day, New Hampshire state representatives Roland Hemon (D-Dover) and Normand Bergeron (D-Nashua) joined William Ferguson of the Schiller Institute in a press conference at the State House in Concord, on the theme, "Defeat Newt Gingrich, Defend the U.S. Constitution."

### Shutdown at Christmas

The crisis in Washington took a new turn just before Christmas, when the Gingrich-led Republicans refused to pass a continuing resolution that would keep the government open. The "Grinch who stole Christmas" was living up to his reputation, furloughing some 260,000 federal workers right before the holiday. In spite of the fact that some among the Republican leaders had gotten "burned" by the public reaction to their previous shenanigans in November, in which they sent 800,000 federal workers home, and were keen on avoiding a similar debacle right before Christmas, irate freshmen Repub-

licans, now wielding considerably greater clout under Gingrich's House rules, held a press conference on Dec. 20 in which they threatened to sabotage any agreement.

The day before, on Dec. 19, the President had met with Republican leaders and reached a tentative agreement. The President said that the House Democratic leadership would present alternative budget proposals that would take some of the edge off the draconian cuts proposed by the Republicans. By the end of the day, all parties were signalling that an agreement to end the five-day government shutdown was at hand. Then suddenly, 30 conservative House Republicans, led by Rep. Jerry Weller (R-Ill.), held their press conference, in which they vowed to block any continuing resolution until a budget agreement containing their agenda had been reached. Not only were the freshmen intent on forcing the administration to accept some \$270 billion in cuts in Medicare and Medicaid, but they also insisted on their tax give-away to the "big bucks" backers who financed their elections.

President Clinton condemned the "anti-government" obstructionism of the Republican Congress, saying, in a press conference, he would not sign any budget dictated by those who "really want to end the role of the federal government in our life." He pointed out, "A lot of them will be happy about this [government shutdown], because they don't think we ought to have a government up here anyway."

Earlier, on Dec. 15, the President had made clear his own position. "I have sought reasonable discussions and honest compromise," he said. "Congress has simply refused to pass this year's budgets and has forced the government to operate on a series of temporary approvals so that they can use the threat of a shutdown to pressure me and the congressional Democrats into approving long-term reductions in Medicare, Medicaid, education, and the environment, that we believe strongly are not good for America."

The President indicated that he was not going to sacrifice his commitment to essential entitlements such as Medicare and Medicaid. On Dec. 18, the President underlined his commitment by vetoing two of the appropriations bills sent to him by Congress, and promised to veto a third. He vetoed the appropriations bill for the Veterans Administration, Housing and Urban Development, and Independent Agencies, which would have eliminated his national service program, AmeriCorps, and included major cuts in important social programs. He also vetoed the Interior appropriations bill, which included significant cuts in a number of environmental and water purification programs.

### **A method to the madness**

On the floor of the House, Majority Whip Tom DeLay (R-Tex.) responded by saying that the Republicans would continue to delay a continuing resolution until a budget agreement had been reached, thereby keeping over 250,000 federal workers out of their jobs and in total uncertainty over the Christmas and New Year's holidays.

The ironic reality of the budget "mania" sweeping Capitol Hill, is that the very measures taken to "balance" the budget will lead to a greater budget deficit. As Presidential candidate Lyndon LaRouche commented on Dec. 28, "When you cut entitlements to senior citizens, the chain-reaction effect on the economy is such, that you will lose more revenue at the combined federal, state, and local level than you will ostensibly 'save' by your cuts."

There is, however, a "method" to the madness of Gingrich's House Jacobins. In addition to the gouging of Medicare and Medicaid, the Gingrich Republicans are also planning a tax break for their wealthy backers, in the form of tax rebates and a reduction in the capital gains tax.

The real reason behind freshman "balking" over an agreement, is that the promised "tax break" would become the inevitable victim of any budget compromise. Maryland Democrat Albert Wynn, interviewed on Fox Morning News on Dec. 29, nailed freshman Republican leader Jerry Weller on this issue. "As far as the tax break is concerned, I've said on the House floor, 'We could have a deal, if you'd eliminate the tax break for people over \$75,000 a year,' " Wynn said. "The Republicans don't want to do that. They want to keep that tax break. And that's what's costing \$270 billion in Medicare cuts. So, for them to say that we're actually increasing it, is really not fair." Weller could only squirm in his seat, claiming that the tax break was not going to the "wealthy."

### **Fight over the debt limit**

Conservative Republicans seem intent on bringing on a financial crash as soon as possible. At the same time that House Republicans have forced a government shutdown, they are also refusing to extend the federal debt limit. Since the debt limit was reached in mid-November, Treasury Secretary Robert Rubin has had to juggle some accounts under Treasury control, in order to continue to finance government operations and to prevent the United States from defaulting on its debt, a move that would likely trigger an international financial blowout.

House Ways and Means Committee Chairman Bill Archer (R-Tex.) is demanding that Rubin cease these operations, threatening to challenge them on constitutional grounds. Writing to Treasury Secretary Rubin on Dec. 26, Archer warned, "I have been advised, that any additional steps that you may take will raise significant, and perhaps insurmountable, legal and constitutional questions." House Banking Committee Chairman Jim Leach (R-Iowa) whined that the Treasury's action, "while ostensibly prudent," has had "the effect of deferring fiscal discipline and delaying achievement of a balanced budget." Responding to these "considerations," the House on Dec. 14 passed H.R. 2621, a bill that would prevent Rubin from doing what he had to do on Nov. 15 when the federal debt reached its limit: disinvest funds from two of the federal trust funds, in order to make payments on government obligations.