

Congressional Closeup by Carl Osgood

Democrats object to House vacation

The House voted on Feb. 1 to go on vacation, again, until Feb. 26, less than two weeks after it took a two-and-one-half-week break in January. The Democrats offered two privileged resolutions to keep the House in session and pass a permanent increase in the debt limit ceiling.

Minority leader Richard Gephardt (D-Mo.) asked, "How can the dignity and integrity of this Congress be maintained if we tear down the dignity and integrity of this country?" He warned against a government default brought on by failure to increase the debt limit.

Paul Kanjorski (D-Pa.) revealed that if the House leadership allowed a clean debt limit increase bill to come to a vote, there would be enough votes from Republicans to pass it.

After the privileged resolutions failed, a resolution brought up by Rules Committee Chairman Gerald Solomon (R-N.Y.), providing that the House adjourn Feb. 1-26 contingent on agreement of the Senate, passed by a vote of 207-199.

District funds pass House, stall in Senate

On Jan. 31, the House passed the District of Columbia appropriations bill conference report. The bill has been tied up in committee for three months because of disagreement between the House and the Senate over a House-sponsored provision for school vouchers.

The House debate revealed the extent to which Republicans believe that they are doing the District a favor, rather than seeing themselves as taking responsibility for the nation's capital. John Linder (R-Ga.) said that the House has been "very charitable" in

preserving home rule for the District. He said that the Congress has a "constitutional duty to keep the District's budget in balance," and that is why Congress will set fiscal policy for the District.

D.C. Appropriations Subcommittee Chairman James Walsh (R-N.Y.), the architect of the school voucher provision, praised the D.C. Financial Control Board, established by Congress in 1995, for establishing the direction needed to "bring the District government back from the brink of financial insolvency brought about by 20 years of home rule and 15 years of unrestrained spending."

The Democratic opposition to the bill focused mainly on the voucher provision. A motion sponsored by Julian Dixon (D-Calif.) to recommit the bill to conference was defeated by a vote of 180-232.

The following day, Sen. James Jeffords (R-Vt.), the chairman of the Senate D.C. Appropriations Subcommittee, announced that he could not bring up the conference report for a vote in the Senate because of a threatened Democratic filibuster.

Smith: Impeach Clinton, Rubin if gov't defaults

Rep. Nick Smith (R-Mich.), House Speaker Newt Gingrich's (R-Ga.) point man who is preventing a vote on a clean debt limit increase, demanded on Jan. 31 that if "[Treasury] Secretary [Robert] Rubin or the President of the United States default on our debt, and that is, not pay principal, not pay interest, they both should be impeached." Smith, who is holding the debt ceiling increase hostage in order to get the Conservative Revolution agenda passed, accused Rubin of threatening people with not getting their veterans

benefits or Social Security checks "when it is absolutely uncalled for."

In the same debate, Martin Hoke (R-Ohio) assailed the pending clean debt limit increase bill for raising the debt limit by \$500 billion. Hoke said the bill is "the kind of license that . . . the lovers of big government in this Congress on the other side that are now in the minority want. I refuse it. I reject it."

Rep. Lloyd Doggett (D-Tex.) denounced the games the Republicans have been playing around the debt limit. He said that Republicans have already voted two or three times for a debt limit increase, which is in the reconciliation bill vetoed by the President last November. "But now you feel a need," he said, "to have a crowbar to highjack the government, to pressure the President, to threaten the future of this country by waiting until a few days before we enter the first default in the 200-plus-year history of this country. It is that kind of political shenanigans that the people of this country are rejecting."

Nuclear testing sparks row on Chirac address

The day before French President Jacques Chirac was scheduled to address a joint session of Congress on Feb. 1, some House Democrats, primarily from the Black Caucus and the Pacific territories and Hawaii, brought up a privileged resolution disinviting Chirac's address. The resolution, offered by Patsy Mink (D-Hi.), condemned Chirac's decision to resume nuclear testing in the South Pacific and accused France of "acting contrary to the commitment of the international community to the non-proliferation of nuclear weapons and the moratorium on nuclear testing."

Speaker pro tem Doc Hastings (R-Wash.) ruled that, because the original order for Congress to meet in joint session to receive Chirac was agreed to without objection, that it was not "proper to collaterally challenge such standing order of the House under the guise of a question of privilege."

About 100 House members boycotted Chirac's address.

Jack Kemp, Pete du Pont air economic fantasies

On Jan. 31, former Secretary of Housing and Urban Development Jack Kemp and GOPAC founder and former governor of Delaware Pierre du Pont appeared in front of the Senate Finance Committee to present the report of the National Commission on Economic Growth and Tax Reform, which is chaired by Kemp. The purpose of the exercise seemed to be to place sole blame for the economic decline on the current tax system, and to call for its replacement with a flat tax proposal.

Committee Chairman William Roth (R-Del.) claimed that "America's past has proven that the right kind of tax reform, including the Kemp-Roth tax cuts in the 1980s, can be a boon for economic growth."

Du Pont said, "If you look at all three tax cuts of this century in America, the Coolidge tax cuts, the Kennedy tax cuts, and the Reagan cuts, in every case a substantial reduction in tax rates produced more income for the federal government and grew the economy."

"The Kennedy tax cut," du Pont said, "grew the economy from 3%-plus a year . . . to 5.2%," while the Reagan tax cuts "took growth from 0.4% . . . to up over 4%, and tax receipts for the federal government were

26% greater at the end of the Reagan term than at the beginning."

The entire hearing avoided any discussion of the post-industrial policy shift that began in the late 1960s, and of the differences between the Kennedy policies and the Reagan policies. As *EIR* has shown, the "growth" of the economy in the 1980s that Roth and du Pont are so enamored with, was only in speculative activities, such as real estate and junk bonds, whereas the Kennedy-era investment tax credit rewarded investment in physical plant and productive technology, thereby increasing the tax revenue base. Since about 1980, the tax revenue base of the United States has been in continuous decline.

Health insurance reform stalled in Senate

The health insurance reform bill which President Clinton endorsed in his State of the Union address, remains stalled in the Senate. Majority leader Bob Dole (R-Kan.) had agreed to allow the legislation to come up for consideration on May 3, but Rod Grams (R-Minn.) put yet another "hold" on the bill.

The bill, the Health Insurance Reform Act, includes provisions that would limit the ability of insurers and employers to impose preexisting condition exclusions, and prevent insurers from dropping coverage when an individual changes jobs or when a family member becomes ill. It was passed out of the Labor and Human Resources Committee last August by a vote of 16-0.

Opposition to the bill is being led by the Health Insurance Association of America, the same group that led the fight to kill President Clinton's health plan in 1994. The sponsors of the bill, Nancy Kassebaum (R-Kan.) and Ed-

ward Kennedy (D-Mass.), have said that they won't back down to the insurance industry.

James Jeffords (R-Vt.) is also firmly committed to his amendment to lift the lifetime caps on insurance payments for catastrophic health conditions. In an interview with Fox TV on Jan. 31, he said his amendment is necessary because of the provision requiring insurance companies to cover people with preexisting conditions. "When they start covering more sick people up front, they're going to try to unload them the other way, and that is by reducing lifetime caps," he warned.

Gingrich pushes New Age on House committees

The Capitol Hill newspaper *Roll Call* reported on Jan. 22 that House Speaker Newt Gingrich has requested each committee to draft a "vision statement." The memo making the request also included a nine-point plan for a "successful America."

The committees are expected to utilize new management techniques, such as to create a "team culture," as opposed to a "personality" or "power-driven" structure. Staffers are asked to "sign on" to Newt's view of the world. They will attend a series of presentations by the Congressional Institute, a non-profit group funded by a "consortium of business groups" (which is offering free management training), to learn how to incorporate the Gingrich mantra "listen/learn/help/lead" into their strategic plans. One plan, for the House Economic and Educational Opportunities Committee, was attached to the Speaker's memo. It is a seven-point plan for "creating a culture of success for the Opportunities Committee." It calls on staffers to "lead—be aggressive, pro-active and behave like the majority party."