

Congress Flees Economy As Fast as It Can

by Carl Osgood

The House of Representatives spent most of the 107th Congress doing as little work as possible—particularly after the Democrats took over the Senate in May 2001, following the departure of Sen. Jim Jeffords (I-Vt.) from the Senate GOP caucus; and particularly when it came to doing the 13 annual budget appropriations bills. Then-House Majority Leader Dick Armey (R-Tex.), when Democrats made an issue of the House's light schedule, often replied that the House could not move on the spending bills because of the Senate's failure to pass a budget. With the convening of the 108th Congress, and the the Senate under Republican control, House leaders no longer have that excuse. But they managed to show every indication that they intend to do even less work in the 108th, with even less debate, than in the 107th.

The GOP strategy came to light with debate on changes to the Standing Rules of the House on Jan. 7. Democrats charged that the changes the Republicans proposed would have the effect of shutting down debate in committees, as well as on the House floor, and would enable Republicans to hide the economic consequences of falling tax revenues. Rep. Martin Frost (D-Tex.) charged that the changes in the package “only assure that the voice of the minority will be heard less and less.”

The changes to committee procedure boil down to giving chairmen the right to postpone votes on amendments to bills under consideration in the committee. Under the new procedure, the committee chairman can postpone a vote until he has a majority present to defeat a Democratic amendment, as opposed to the previous practice of voting, by whoever was present, on an amendment when debate on it was completed. Frost called this “a recipe for autocracy in the committees.”

Changes to budget process include the automatic inclusion of increases in the statutory debt limit in budget resolutions, and the requirement to use so-called “dynamic scoring,” to be provided by the Joint Committee on Taxation, in the consideration of tax bills. Normally, when a change in the tax laws is considered, the Congressional Budget Office makes a more-or-less linear projection of what effect that change will have on government revenues. Under dynamic scoring, the projection is supposed to take into account the macroeconomic effect of the change, something that even Federal Reserve Board chairman Alan Greenspan says cannot be done. Frost told the House that “the only real thing that is real and reliable about dynamic scoring is that it will serve as a cover-up for the true impact” of the losses of revenue that will be

compounded by the proposed tax cuts.

Another change will, until the second week of April, set Wednesdays aside for consideration of bills, under suspension of the rules. Traditionally, the rules are suspended for bills that are not controversial, or do not require much debate; bills under rules suspension cannot be amended and require two-thirds vote to pass. In recent years, Tuesdays have been set aside for consideration of such bills. Under the new rule, the legislative week will effectively be shortened to *one day*—Thursday—making thorough consideration of major legislation even less likely, for at least part of the year.

The House passed, before it hurriedly left town on Jan. 8, a continuing resolution to maintain Fiscal Year 2002 spending levels until the end of January; and a bill to extend unemployment benefits for five more months. Both bills did only half the job. The unemployment bill, an unfinished piece of business left over from the 107th Congress, only extended benefits for those who were still eligible for them under the emergency program passed last year. The 800,000 or so unemployed workers who exhausted their benefits before last Dec. 28, got no help at all. The GOP attitude towards those workers was expressed by new House Majority Leader Tom DeLay (R-Tex.), who told reporters that the Democrats would not be happy unless they got “unlimited unemployment compensation so somebody could stay out of work for the rest of their lives and get unemployment compensation.”

The continuing resolution was necessitated by the fact that the 107th Congress only passed 2 of the 13 annual spending bills into law before it shut down last November. The scheme to finish those bills is to load the entire responsibility onto the Senate, which is supposed to come up with an omnibus package before the Congress returns on Jan. 28. The Senate is then to send this “behind-closed-doors” budget to the House for nothing more than a confirmation vote. The Senate was to begin such a plan on Jan. 16, but not without a debate. Senate Minority Leader Tom Daschle (D-S.D.) presented to the press on Jan. 15, a long list of intended amendments, addressing everything from homeland security, to education, to funding for Amtrak, to drought relief. These amendments all result from either the 107th Congress's failure to complete the appropriations process, or the Bush Administration's refusal to spend money—including \$2.5 billion for homeland security measures—that was appropriated last Summer.

Present circumstances have not solely resulted from the Congress's failure to address issues that have been on the agenda, however. History is more likely to judge the present Congress, not on whether it passes a budget, but on whether it shows itself able to address the onrushing breakdown crisis of the U.S. physical economy. Signs of that breakdown include budget crises faced by at least 46 of the 50 states, the collapse of essential economic sectors such as the airline and rail industries and health care, the skyrocketing U.S. trade deficit, and the consequent drop in the value of the U.S. dollar, and the loss of 2 million manufacturing jobs in the last two years, to name but a few.