

Congress Not Bucking Bush on Iraq \$87 Billion

by Carl Osgood

President Bush sent up his \$87 billion supplemental budget request to Capitol Hill on Sept. 17, generating a plethora of commentary and questions, but so far, no visible movement by Congress to force any changes in U.S. policy toward Iraq. The response of Congressional Democrats has been to propose that the wealthiest taxpayers foot the bill for the supplemental, or to make comparisons between what the White House is proposing be spent on infrastructure in Iraq, and what is being spent for the very same infrastructure in the United States.

The \$87 billion request itself breaks down into \$65.6 billion for the Department of Defense, \$20.3 billion for the Coalition Provisional Authority for reconstruction, and \$140 million for the State Department. The military spending is split into \$51 billion to cover costs for operations in Iraq, and \$11 billion for Afghanistan. The remainder goes for military operations in the United States that are part of the so-called war on terrorism. The major military cost items are the increased operational tempo (\$32 billion) and military personnel (\$18 billion). The reconstruction side includes \$5.1 billion for security, including border enforcement, building a national police and a new Iraqi army, and reforming the justice system. The reconstruction plan also provides \$5.7 billion for restoring the electricity system, \$3.7 billion for water and sewer services, and \$2.1 billion for rehabilitating Iraq's oil infrastructure.

The reconstruction request immediately evoked comparisons with what the Bush Administration is willing to spend on the same infrastructure in the United States. A report produced by the Democratic staff of the House Appropriations Committee charges, "This assistance will be aimed largely at the very kinds of infrastructure investments that the Bush Administration has so actively opposed here at home." The report adds that in certain areas, the aid requested for Iraq "exceeds the amount the Federal government provides to all 50 states in this country." The per-capita breakdown amounts to \$157.45 in Iraq for water and sewer, compared to \$14.39 in the United States; \$255 in Iraq for electricity infrastructure and just 71¢ in the United States; and \$38.30 in Iraq for hospitals and clinics, as opposed to just \$3.30 in the United States. The Bush Administration seems not to be bothered by such comparisons. Said one Administration official, albeit anonymously, on Sept. 17, "We welcome the comparison, because President Bush is more than meeting his domestic priorities as well," the most important of which "is keeping the American

people safe from terrorism." Of course, whether the \$20.3 billion will actually go to improve the lives of Iraqis, or will mostly line the pockets of multinational corporations, such as Vice President Dick Cheney's Halliburton, remains to be seen.

The issue of the spending's transparency is one the Democrats keep saying they are going to raise before allowing the money to be appropriated. Edward M. Kennedy (D-Mass.), speaking on the Senate floor on Sept. 23, added several more questions, including: How will the United States obtain more international participation in Iraq? How many troops will be needed, for how long, to stop prevent sabotage of reconstruction efforts? And what is the estimated total cost of reconstruction?

That last question is likely to be the most contentious, because no one among the Democrats believes that the present \$87 billion request will even last through to the end of Fiscal 2004. House Budget Committee Democrats have produced estimates of anywhere from \$237.8 billion to \$419.3 billion for the total costs of the Iraq operation, depending on how many years out one wants to estimate. In presenting the Budget Committee report, Rep. John Spratt (D-S.C.) explained that the Democrats developed their own estimates, because the Bush Administration has been less than forthcoming in providing those numbers. That the \$20.3 billion for reconstruction is not enough to actually reconstruct Iraq, is clear from the Administration's own estimates of total reconstruction costs, which run in the range of \$50-\$75 billion. However, it's not even clear that the \$65 billion for the Pentagon will be enough to cover all of the costs being imposed on the military services, especially the wear and tear being inflicted on Army equipment.

Not surprisingly, Democrats have also tied the supplemental request to the tax-cut issue. Sen. Joseph Biden (D-Del.) has proposed that the upper third of income earners, those making more than \$360,000 per year, give up one year of the tax cut they are now expecting. He argued that that is preferable to the other two options: That is, borrowing it all, or cutting necessary services, both of which he called "unpalatable," in his remarks to reporters on Sept. 17.

The most significant question is that the bottom has fallen out of the Federal budget, due largely to the ongoing collapse in Federal tax revenues. The Congressional Budget Office reported on Sept. 9, that the budget deficit for the first 11 months of fiscal 2003—which began on Oct. 1, 2002—hit \$402 billion, compared to \$202 billion for the same period one year ago. The CBO attributed the August collapse to more tax cuts taking effect and greater defense and Medicaid spending.

In spite of all this—not to mention the fraud behind why the United States went to war in the first place—the Democrats are not planning to be obstructive. When Fox News anchor Tony Snow asked Biden, on Sept. 21, if the Democrats were willing to go ahead and approve the supplemental, he said, "I think we have to."