

The Budget and the Veto

Clinton needs a better counter to unwise cuts

By Steve Charnovitz

CONGRESS and the White House are at odds over legislation to fund the federal government after September 30. So far, none of the 13 annual appropriations bills has been passed. Without these appropriations, more than a million federal workers will have to be laid off. This could roll markets, disrupt transportation, and endanger public health.

President Clinton has criticized Congress for dawdling on these vital spending bills. He has also threatened to veto several of the appropriations, which has led to a charge by Republicans that he is trying to create a crisis. With both sides poised to blame the other for any interruption in government services, some context for understanding the ongoing dispute may be helpful.

The Congress bears full responsibility for presenting all 13 appropriations to the president before Oct. 1. So far, the House has passed 11 and the Senate only seven. This sluggish performance is below the norm for the 1990s.

Congressional leaders have suggested that this tardiness is simply a byproduct of high legislative productivity on other issues. But only 22 public laws have been enacted this year. This is far below the average for the previous 10 years (121) and 20 years (119). Indeed, since the institution of the modern legislative calendar in 1933, no Congress has passed so few public laws by early September as has the Gingrich-Dole 104th Congress.

Congressional ploy

The best explanation for the slowness in passing appropriations is that it is a deliberate ploy by the congressional leadership. By delaying the appropriations, the Republicans leave the president the unpalatable choice of either signing the bills, thereby agreeing to large spending cuts, or vetoing the bills, thereby shutting down agencies. This is a shrewd strategy for politicians seeking to shrink government.

By contrast, the White House budget strategy has not been shrewd. President Clinton got off to a bad start in February when he transmitted a budget calling for the deficit to increase during the next four years. By the time the president woke up to political reality and sent up a revised budget in June, his influence in the Congress had waned.

Over the summer, the Clinton administration embarked upon a new budget strategy. The White House is now threatening to veto appropriations if the spending cuts are too severe. That strategy is self-defeating, however. Vetoing an appropriation means that the funding level becomes zero. The president would

have to make the untenable argument that no spending is preferable to inadequate spending.

There has been only one instance in which a president vetoed a funding bill on the grounds that the spending level was too low. That was in 1919 when President Wilson vetoed an appropriation for vocational rehabilitation of disabled World War I veterans. Wilson won that fight.

Veto precedents

The administration has also threatened to veto certain appropriations if they contain either bad legislation or onerous spending limitations. Here the White House is on firm ground. In about 40 percent of past vetoes of appropriations, the president cited at least one of these objections.

When appropriations are delayed or vetoed, the Congress often approves a "continuing resolution" to provide temporary funding. Continuing resolutions are typically pegged to the lowest of the House bill, the Senate bill, or the prior-year funding level. In the past, when federal appropriations were going up each year, continuing resolutions served as common ground. But now that appropriation levels are moving down, the continuing resolution may become a potent weapon for those who want to downsize government. It is hard for any president to veto a continuing resolution.

The unusual combination of Republican Congress and Democratic president may also open the door to innovative continuing resolutions. For example, the Congress could write a resolution to cover just "essential" governmental activities. This would reduce the negative fallout from the lapse in the regular appropriation.

The ability of the Congress to time and craft legislation gives it advantage in any budget tussle with the president. To rescue a few cherished programs, the Clinton administration may seek back-room deals with Republicans. This bears close watching.

Although the Congress is slicing too deeply in many areas of the budget, the president cannot defend government with a veto. Instead, he should be trying to convince Americans of the need for maintaining public investment. The administration should also stop defending inappropriate federal subsidies.

It is illogical for a president to veto an appropriation because its funding level is too low. The sooner the Clinton White House grasps this political reality, the sooner it can devise a better strategy for opposing unwise budget cuts.

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