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Contact: Kirstin Brost
202-225-2771

Appropriations Committee Chairman's Address at the National Press Club

"I renew my call for the Administration to sit down with us and work out reasonable compromises... It is not reasonable for the President to demand that we give him another \$200 billion for the quagmire of Iraq and then try to reclaim the mantle of fiscal responsibility by requiring short-sighted reductions in key domestic investments that will make our country stronger."

WASHINGTON –Dave Obey (D-WI), Chairman of the House Appropriations Committee, addressed the National Press Club today to discuss the upcoming appropriations battle. Below is the text of his speech as prepared for delivery:

"Thanks for having me.

"I want to talk to you today about the coming manufactured controversy over appropriations bills that will afflict this town over the coming weeks.

"In doing that, I hope those of you who are concerned about the level of civility in this town will take some comfort in the knowledge that we have not yet descended to the level of invective sometimes found in British politics. For example, take the comment of John Prescott, the deputy to Tony Blair who described the conservative party as 'the most desperate, despicable, seedy, grubby, hopeless, lying, hideously incompetent bunch of third-rate double dealing disasters this great nation has ever seen.'

"I don't think we've quite reached that level, but we are facing an unpleasant and unnecessary period of contrived posturing that will, unfortunately, further discredit government and frustrate the American people.

"The President's threat to veto any appropriations bill that departs from his budget is just the latest manifestation of the George Bush – Karl Rove strategy to govern this nation by dividing rather than uniting. It is the latest manifestation of his insistence on a my-way-or-no-way approach to leadership that has soured political discourse as the President seeks to govern with one-third of the country and one-third plus one of the Congress behind him rather than in a style that might bring us closer together in reasonable compromises for the good of the country.

"It is a far cry from the leadership style of another Republican President, Gerald Ford, who once said 'Compromise is the oil that makes government go.'

"This fight is being described as a confrontation between the President and Congress. But it is much more than that. It is also a struggle between the President and American people.

"Last November, the American People sent two messages to Washington.

1. They wanted a change of policy in Iraq.
2. They wanted a new set of priorities here at home.

"What they are getting instead is a president who is determined to stiff the American people. The President is not just telling Congress he doesn't care what we think, he is telling the American people 'I don't care what message you thought you sent in the last election. I'm the great decider and we're going to do things my way.'

“Well, that’s not the way that things are supposed to work in a democracy. The great decider is supposed to be the American people. That’s what elections are for; that’s when public servants get their marching orders from the American people.

“But President Bush decided it was still going to be his-way-or-the-highway. It is clear, that regardless of what the American people want, he feels he can govern as a minority government so long as he is supported by one-third of the American people and one-third plus one of the Congress.

“The President’s speech to the country after General Petraeus’s report made that quite clear. His speech was a case study in public deception. His speech was intended to leave the impression that the President was beginning a long term drawdown of American forces in Iraq. But instead it was really intended to mask the fact that he intends to have as many troops in Iraq six months from now as he had six months ago.

“He could have used the Baker-Hamilton report as an opportunity to modify his approach and unite the country in a new direction. Instead he chose to intensify and deepen our involvement in Iraq. Now he has asked for another \$200 billion in new spending for the misguided enterprise. And rather than paying for the effort he’s sending the bill to our grandkids. His newest request raises the cost to date to over \$600 billion, and the long term costs to over one trillion dollars, adding a new mountain of debt to the nation’s balance sheets.

“He is asking military families to sacrifice again and again, but the only thing he has asked from the rest of society is that we go shopping.

“At the same time he is pouring mountains of cash into the Iraqi civil war, at the same time he is pouring almost \$60 billion in tax cuts into the pockets of people who make more than a million bucks a year, he is refusing to make the investments at home that will make this a stronger and better society with a greater capacity to pay off those long term debts.

“The American people know that is the wrong economic choice and the wrong moral choice. They understand that if we are to strengthen the economy enough to pay off those huge bills, we have to invest in kids, in workers, in national infrastructure.

“It is clear that after the President has followed a course of greater fiscal irresponsibility than any president in history – borrowing huge amounts of money for tax cuts and the war in Iraq- he is now desperately trying to shore up his remaining strength on the far political right by engaging in an unnecessary diversion of a fight over this year’s appropriations bills.

“So let’s look at those bills.

“Before we appropriated a single dollar this year, I asked each subcommittee chair to look at the President’s budget through long term glasses. I asked them to think about what this country would be like in five or ten years.

- How much is our population expected to grow?
- How many more students in elementary and secondary education and college are there going to be?
- How is the world’s job market expected to change?
- How many more cars will be on the road?
- What do we have to do in order to stay on top of technological change?
- What will our energy needs be?
- And what kind of investments do we need to make in order to prepare ourselves for the country we want America to be rather than the kind of country we want to avoid?

“I asked them to look at the federal budget deficit and to also examine other deficits faced by American families in this society.

- Opportunity deficits
- Education deficits
- Healthcare deficits
- Energy needs deficits
- And, if it isn't too idealistic, fairness deficits

“It is no accident that the title of my new book is *Raising Hell for Justice*. As a son of Wisconsin and a descendant of Bob La Follette, I have spent my entire public life fighting for the same economic values that were pursued by early 20th century reformers such as George Norris, Bob La Follette, Teddy Roosevelt, and Woodrow Wilson.

“They are all today regarded as secular reformers. But they were really part of a movement rooted in the Jewish prophetic tradition and the Christian social gospel. They were rooted in the belief, as Bill Moyers has said, that politics ‘must be more than transactional, that it must try to even the starting gate so that people who are equal in humanity but not in resources have a reasonable opportunity to pursue a full and decent life.’

“With that in mind, let's take a look at the context in which the appropriations fight is taking place.

“That context shows that the bottom 40% of this society is being squeezed out of a decent share of America's prosperity.

- In 1928, average income for the top 100th of 1% was 890 times the average income for the bottom 90%. By 1980 that multiple dropped to 175. Today, it is back up to 880.
- In 1975 the top 1% had 9% of national income. Today, it has 22%.
- Do you understand what that means? Example: Between 1980 and 1989 alone, the transference of wealth up the income scale was so large that the richest 500,000 families doubled their income from 2-1/2 to \$5 trillion. They could have paid off the entire national debt and still had 10% more in their pockets than they did in 1983.
- From World War II to 1980, more than 70% of increased productivity in this economy wound up in the pockets of workers through higher wages. Since then, they have received less than 25%.

“One American President said the following:

‘In many countries of the free world, private enterprise is greatly different from what we know here. In some, a few are fabulously wealthy contributing far less than they should in taxes and are indifferent to the plight of the great masses of people. A country in this situation is fraught with continued instability.’

“That wasn't a liberal Democrat talking, it was Dwight Eisenhower.

“This is the context in which the White House is threatening to veto appropriations bills passed by the House. Today, domestic discretionary spending, that means appropriations, represents one half of the percentage of GDP that it did in 1980, dropping from 5.6% to 2.9% and the President's budget would take it down to 2.3% by the year 2012.

“That is the context in which this debate is occurring.

“And it is in that context in which we have passed bills - all with bipartisan support - that would increase the President's recommendations for domestic appropriations by about 2%. He

particularly objects to the \$10 billion we have added to education, health, and worker training. Well, much of that difference simply restores what he has tried to cut in the first place.

“If we complied with his budget, what would the impact be?

- He wants us to cut vocational education by 50%.
- He wants us to eliminate all Student Aid, but Work Study and Pell Grants.
- In all of my years in Congress, I have never heard anybody come up to me and say, “Obey, why don’t you guys get your act together and cut cancer research?” Yet, that is exactly what has happened over the last two years.
- He wants us to cut law enforcement grants by one-third.
- He wants us to cut education for handicapped kids by \$300 million.
- He wants us to cut mental health services by \$160 million.
- He wants us to cut physician training at children’s hospitals by 63%.
- He wants us to cut rural health programs by 54%.
- He wants us to cut the clean water revolving fund by 37%.
- He wants us to cut disabled housing assistance by 47%.
- He wants us to cut the Low Income Heating Assistance Program by 18%.
- He ordered his Secretary of Veterans Affairs to send us a letter indicating they did not need the \$4 billion we have added to veterans’ health care.

“He says we cannot afford the \$16 billion that we have tried to add back for domestic appropriations and the \$4 billion that we seek to add for veterans’ health care. But he insists that we continue to provide almost \$60 billion in tax cuts to people with incomes of over a million dollars. And he is insisting that we provide almost \$200 billion for the war in Iraq.

“All we are doing, on a bipartisan basis, is asking that we devote to crucial domestic priorities enough money to equal what the President would have us spend in Iraq in two months.

“It is simply not credible for the President to ask us to spend ten times as much again this year for the never ending war in Iraq and then with a straight face object to our efforts to invest one tenth of that amount in key education, health, science, law enforcement, energy research and medical research on the grounds of fiscal rectitude.

“Last year, the Republican Congress failed to even pass a budget resolution and they failed to pass even a single domestic appropriations bill. That required us, when we took over this year, to spend the first six weeks finishing that work.

“We then completed action on the Budget Resolution in both houses, which restored pay-as-you-go rules and we produced appropriations that held spending to the amount provided in that budget resolution. Those bills cut over 300 programs totaling over \$6 billion.

“The record shows that those are bi-partisan bills. If it was not for the pressure from the White House, I believe these bills would have passed with 80 % support. In spite of that pressure, we got 53 Republican votes for the Labor, Health, Education bill. We averaged 65 GOP votes for all of the other appropriations bills. That is exactly 2/3 of the House membership on average.

“If there hadn’t been pressure from the White House I have no question that all of our bills would have passed by a 4 to 1 margin.

“Those rank and file Republicans who did vote with us did so even as the most conservative and obstructive portions of their party were trying to delay our ability to get our work done. I invite you to compare what those bills encountered from the minority with how we handled appropriations last year when we were in the minority. Last year, even though I opposed several

appropriations bills produced by the then Republican majority, I cooperated with that Majority, and helped them to finish action on every bill that they brought before us because I believed that the way politics is supposed to work is that we are supposed to first define our differences and then, like adults, find ways to resolve them.

“In contrast, this year we were treated to filibuster by amendment by the Republican minority. Last year, the Democratic minority offered a total of 57 amendments on which a vote was requested. This year Republicans pushed 209 amendments to a vote – almost four times as many. Total debate time consumed by consideration of those amendments was 68% longer than it was a year ago.

“Despite that foot dragging, we were able to pass every single appropriations bill through the House before the August recess - only the second time that that has been achieved in the Bush presidency.

“And despite the fact that Senate rules require 60% rather than 50% of the body to vote to end debate, despite the fact that the Senate minority party has forced the body to hold more than six times the normal number of cloture votes to proceed, when the seven bills that the Senate has considered were finally brought to a vote, they passed with more than 80% support.

“Now, I have, on more than one occasion, asked the administration to sit down and begin negotiating reasonable compromises on these bills, but have received no positive response. The White House has declared that they will veto every appropriations bill that departs from the President’s budget in any significant way, and the House Republican leadership has announced that they have enough votes to sustain every appropriations veto.

“That leaves us with two choices. We can either sit by like potted plants and do nothing but meekly comply, or we can try to make it as difficult as possible for the President to be irresponsible and artificially confrontational.

“We’ve begun by combining the Labor, Health, Education and Military Construction/Veterans appropriations bills. We will vote on that bill in the House tomorrow. We have tried to be as responsive as possible to the Republican minority in fashioning those bills. We have cut one billion dollars from the House passed Labor, Health, Education bill and we have included a number of provisions at the request of the Republican minority, even though some of those requests give majority party members heartburn.

“We have increased funding for Veterans by \$3.7 billion above the President’s request. When that bill was first reported the President objected to those increased funds and called them ‘excessive.’ The White House then ordered the VA Secretary to send us a letter urging us to pass the Veterans budget without those added funds.

“The President has grudgingly indicated he would reluctantly accept those increases, but only if we cut other domestic investments by an identical amount. We have declined to do that because the President has already insisted on \$16 billion in reductions in important domestic programs. We have combined those two bills so that the public will have a better understanding of the programs the President is insisting we slash if we provide for that increase for veterans’ healthcare.

“The White House and House Republican leadership are objecting to combining these two bills. They want us to make it easy for the President to “cherry pick” so that he can consider the bill without facing the consequences of that bill for other portions of the budget.

“They say that our actions are ‘precedent setting’

“Nonsense. During the 12 years Republicans controlled the House they sent 56 appropriations bills to the President as parts of consolidated bills. President Bush himself has approved 27 appropriations bills that were sent to him in combined fashion by Republican congresses. The President had no objection when those bills came from a Republican Congress. I find it interesting that he now raises objections because we are doing what his party has done for so long.

“With newly discovered concern, the House Republican leadership is also asserting that this approach will delay passage of the Military Construction bill. That claim is enough to give hypocrisy a bad name. Dare I point out that last year, when they controlled Congress, they neglected to send any Military Construction/VA bill whatsoever to the President! They simply shut down the Congress and went home. In contrast to their neglect, we have added \$7 billion to veterans’ healthcare above the President’s request since we have taken control.

“The fact is, only once in the past 5 years, when they controlled the House, did our Republican friends pass a freestanding military construction bill. On 3 occasions they tied the Military Construction/Veterans bill to other bills, and on one occasion they never managed to pass the bill at all, as I indicated.

“I find it particularly disingenuous for Mr. Nussle, the President’s budget director, to complain about our management of appropriations and budget issues. Mr. Nussle was chairman of the House Budget Committee for six years. Congress failed to pass a budget resolution only 4 times since the Budget Act was passed in 1976. Three of those 4 times occurred during Mr. Nussle’s 6 year tenure as chairman of the Committee. During his tenure Congress passed 3 omnibus appropriations, and one full year continuing resolution.

“Instead of looking at the ribbon we have on the appropriations package, we ought to be focusing on the contents of that package. Without a doubt, the contents are much more consistent with public desires than is the President’s budget.

“Now, I raise these points, simply because the White House and the House Republican leadership have attacked our stewardship of the public purse and I want to set the record straight.

“But I really hope we can get beyond all of this.

“Several weeks ago, in a conversation with Mr. Nussle, I told him that the kind of politics that I believe in is one in which we first define our differences and then resolve them. That is what adults ought to do.

“I renew my call for the Administration to sit down with us and work out reasonable compromises.

“It is not reasonable for the President or the Republican leadership to insist that we must exactly comply with the President’s budget levels or he will veto our work product.

“It is not reasonable for the President to demand that we give him another \$200 billion for the quagmire of Iraq and then try to reclaim the mantle of fiscal responsibility by requiring short-sighted reductions in key domestic investments that will make our country stronger.

“It is not credible for the President to make a federal case out of our desires to provide \$20 billion for veterans’ healthcare, cancer research, Pell Grants, energy research and law enforcement while he wants to spend ten times that much in the Iraqi black hole.

“The country cannot afford to wait for a new President before reasonableness is restored in Washington. We need to start now.”

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