

US House vote to move forward on budget framework heralds major cuts in \$3.5 trillion price tag

Barry Grey
24 August 2021

After days of internal wrangling and delays, House Democrats on Tuesday narrowly passed a procedural rule supporting the Biden administration's \$3.5 trillion budget resolution, making it possible for an eventual budget bill to pass by majority vote in the evenly-divided Senate. This would be done under the special budget reconciliation procedure, which bars the use of a filibuster and thereby averts the need to obtain 60 votes for passage of legislation in the upper chamber.

The measure, passed on a party-line vote of 220-212, with all Democrats voting in favor and all Republicans voting against, also advanced a \$1 trillion bipartisan infrastructure bill passed earlier this month by the Senate.

The infrastructure bill, allocating some \$550 billion of new money over five years to at least minimally address the nation's crumbling brick and mortar infrastructure—bridges, roads, rail, broadband, the power grid and water systems—is broadly supported in the ruling class. Among the bill's official supporters are the US Chamber of Commerce, the Business Roundtable, the National Association of Manufacturers and the AFL-CIO. The 19 Senate Republicans who voted for the bill included Minority Leader Mitch McConnell.

Some attention to the country's collapsing infrastructure is considered critical to reversing the global economic decline of American capitalism and shoring up the home front in preparation for economic warfare and potential military conflict with US imperialism's rivals, chiefly nuclear-armed China and Russia.

The \$3.5 trillion "human infrastructure" budget plan, on the other hand, has far less support within the

corporate-financial oligarchy, particularly Biden's call for a modest increase in corporate taxes and the personal rate for the top bracket. The budget resolution calls for an expansion of Medicare and Medicaid, subsidized child care and elder care, paid family and sick leave, tuition-free community college, an extension of child and earned income tax credits, modest measures to combat climate change and liberalized granting of green cards to immigrants, along with more money to militarize the border with Mexico.

The Democrats have elevated Bernie Sanders, the darling of the Democratic Socialists of America and other pseudo-left appendages of the Democratic Party, to usher the bill through the Senate. Sanders has absurdly compared the plan to the New Deal of the 1930s.

In fact, the \$350 billion per year over 10 years proposed in the budget outline is less than half of Biden's 2022 Pentagon budget, less than the \$400 billion the 15 richest Americans added to their collective wealth in the first year of the COVID-19 pandemic, and a fraction of the \$1.44 trillion per year the Federal Reserve pumps into the financial markets through its monthly purchases of \$120 billion in corporate bonds and other financial assets.

The Republican Party is solidly against the budget plan, and considerable sections of Democratic officials and their corporate backers are also opposed.

In the event, passage by the House required days of intense negotiations between House Speaker Nancy Pelosi and a group of nine right-wing House Democrats, who said they would vote against the budget resolution unless the House voted first to approve the bipartisan infrastructure bill and send it to

President Biden's desk to be signed into law. The Democrats could afford to lose only three votes from within their caucus due to the narrowness of their majority.

The position of the nine so-called "centrists," echoed in the Senate by right-wing Democrats Joe Manchin and Kyrsten Sinema, threatened to torpedo both the budget package and the infrastructure bill, as some 100 liberal House Democrats warned that they would vote against the infrastructure bill if Pelosi retreated from her promise to withhold action on the narrower infrastructure measure until the Senate had passed the more expansive budget plan.

To overcome the opposition of the Democratic holdouts, Pelosi made a significant concession, incorporating into the procedural rule a pledge to bring the infrastructure bill to a vote in the House by September 27, regardless of whether the "human infrastructure" budget bill had passed in the Senate.

Statements from both factions following the vote made clear that the divisions remain, underscoring that any budget bill that might pass the Senate and come to the House would be radically reduced from the already inadequate social provisions in the budget outline handed down by Biden.

The right-wing Democrats led by Representative Josh Gottheimer of New Jersey said the deal "does what we set out to do: secure a standalone vote for the bipartisan infrastructure bill, send it to the President's desk, and then separately consider the reconciliation package."

On the other side, Congressional Progressive Caucus Chair Pramila Jayapal said the two proposals were "integrally tied together, and we will only vote for the infrastructure bill after passing the reconciliation bill."

For her part, Pelosi issued a statement saying she was "committing to pass the bipartisan infrastructure bill by September 27" and would "rally" her caucus to pass it. She went on to stress that she aimed to pass a budget reconciliation bill that could get through the Senate, i.e., that she would support major cuts to the social spending outlined in the budget resolution. Both Manchin and Sinema have declared that they will not vote for a budget bill with a \$3.5 trillion price tag.

In an editorial posted on Monday, Jeff Bezos' *Washington Post* urged the Democratic "centrists" in the House against voting down the budget resolution, for fear that the liberals would respond by voting down

the infrastructure bill.

"That would be a disaster for the nation," the newspaper wrote, "which needs both investment in roads and rails and assurance that the political system can still sometimes work. ... Centrists should force a debate on the cost [of the \$3.5 trillion budget plan], streamlining new proposed programs, insisting on more substantial pay-fors, or both."

The budget resolution is a mere outline, with proposed items and indicated spending levels. Its passage by both chambers of Congress sets in motion weeks of closed-door lobbying, horse-trading and outright bribery by corporate interests as dozens of committees in the House and Senate draft specific spending bills. The Democratic leadership has instructed the various committees to complete their portions of the overall measure by September 15.

The result, assuming that any bill is passed, is certain to be even less adequate to deal with the massive social and public health crisis in America than the much-hyped Biden proposal.



To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact