

Alabama's Blue Dogs and the 1996 Federal Budget Crisis

**An Examination of the Roles of Glen Browder and Bud Cramer in Resolving the Standoff
Between Democratic President Bill Clinton and the Republican Congress**

**By Geni Certain
Jacksonville State University**

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A Birmingham Post-Herald headline the morning of October 26, 1995, was just three words stacked in a column: “Houses debate budgets.” The spare headline stood in stark contrast to the florid language of the article, which heralded the culmination of a fight that had been building in Congress for the past 10 months. “In what political leaders agreed was a defining moment in the nation’s history, the Senate and the House opened debate yesterday on massive Republican budget bills that would dramatically remake government while balancing the federal budget.”¹ Republican Senator Bob Dole called this moment the most historic in his 34 years in Congress. Senator Tom Daschle, a Democrat, predicted that this was a day Republicans would soon regret. Was this just inside-the-Beltway rhetoric, or would decisions about the 1996 federal budget have lasting importance to the nation?

In late October of 1995, the federal budget process was in crisis. The national debt was \$4.9 trillion and growing by more than \$2 billion a year. Deficit spending had become chronic — Congress had not balanced a budget since 1969. The largest economic expansion in history offered an opportunity to end deficit spending and pay down the debt, but the nation’s two major political parties were polarized nearly to the point of paralysis. Thus by October 26, the day the House and Senate finally got around to debating their budget proposals, Congress had missed its deadline for passing the Fiscal 1996 budget and the federal government was due to shut down in 17 days. The bills being debated contained the budget provisions of the Republican Contract With America, which promised to reduce government spending by some \$894 billion, balance the budget and cut taxes. Democrats objected to the plan because most of the program cuts came from Medicare, Medicaid and Welfare, and the tax cuts went to people with incomes as high as \$200,000.

The politicians driving the debate were major players, each likely to have a stake in the upcoming presidential election: Speaker of the House Newt Gingrich, the Georgia Republican who had authored the Contract With America; Senate Majority Leader and presumptive Republican presidential nominee Bob Dole; House Minority Leader and possible Democratic presidential contender Dick Gephardt; and President Bill Clinton, who would be running for re-election in 1996. For these men, the fight over the 1996 federal budget ultimately would be eclipsed by other events — in less than the seven years that the budget provisions would cover all but Gephardt would leave office. But for one man, one who had proposed workable compromises at the beginning of the process and doggedly promoted them until they became law more than a year later, the federal budget reforms enacted in 1996 would be the greatest achievement of his political career. That man was Representative Glen Browder from Alabama's Third Congressional District.

Browder, a moderate Democrat who in 1995 was in his fourth term in Congress, was troubled by the growing debt and continuing deficits, but he recognized in the expanding economy an unprecedented opportunity to make long-term changes in how the country managed its spending. “I really believe that if you don't get control of your budget, whether you're a nation, a country, a business, or a family, you lose control of your destiny,” he recalled in 2005. “This is a great disservice to future generations who can't vote and make decisions. So I thought we needed to work toward balance. Not because I worship at the altar of a balanced budget, but because I think you do lose control of your destiny. And we needed to introduce some rationality, some accountability, some prioritization in the process. The interest payments that we were paying, somewhere around 15 percent, were almost as large as the Defense budget.

That was crazy. That was keeping us from spending money on good programs that people need — child programs, health care.”²

Browder had written to his constituents in April, 1994, that the country was emerging from the recession of the early 1990s. He foresaw that the improving economy could reduce the deficit and the nation’s dependence on credit, enabling Congress to address the long-term problems of health care, Welfare and crime.³ The key, he believed, was taking control of the budget process by implementing discipline and responsibility in spending. Toward this end, he offered two ideas that would form the core of the fiscal reforms implemented in the 1996 budget:

- Tie tax cuts to actual progress toward balancing the budget.
- Apply savings from spending cuts toward deficit reduction instead of as a down payment on a tax cut.

Browder was never a stereotypical tax-and-spend Democrat. When he arrived in Washington in 1989, he found a Congress whose spending was not the only thing out of control. Democrats already were talking about the need for reform, but Browder soon realized that they were not as serious about reform as he was. He joined several Congressional groups with reform agendas, including the Conservative Democratic Forum and the Mainstream Forum, neither of which accomplished much in his opinion, and the Blue Dogs Coalition, which accomplished a lot, particularly in the area of budget reform.⁴

The Blue Dogs were 23 centrist House Democrats, primarily from Southern states. They characterized themselves as the voice of common sense, and as such were a major irritant to the leadership of both parties. The group organized informally late in 1994. The members felt a growing separation from the increasingly liberal Democratic leadership and hoped to move the party back toward the center. They could already see that Southern voters were becoming

disaffected with Democratic liberalism, and a move toward the center was politically expedient both in terms of representing their districts and in retaining their seats in Congress. “We determined that we were going to have to chart our own course. And we also plighted our troth to each other that we were willing to risk our careers in the Democratic Party,” Browder said.⁵ “If you’re going to cross the Democratic Party and stay a Democrat, you’re marginalizing yourself. We accepted that and started talking about, ‘How do we build a movement?’”

Their situation changed with the 1994 mid-term elections, when for the first time in 40 years Republicans took a majority of seats in both the House and the Senate. “We had anticipated that we would be working against a Democratic majority.” Browder said. “We didn’t know that the Republicans would take over in ’94. But it worked out perfectly for us because the Republicans were in the majority, but not enough [of a majority] that they could run roughshod. They had to have some Democratic votes. It put us in a very good position. The Republicans were going to have to work with somebody on the Democratic side. The Democrats, on the other hand, might win a few things or they could stop the Republicans if they could hold all the Democrats, so they had to work with us.”⁶

With the White House occupied by a Democrat and both houses of Congress controlled by Republicans who had a mandate for economic reform, 1995 was a year of extraordinary conflict in Congress from the very beginning. The moderate Democrats who soon would be calling themselves Blue Dogs saw an opportunity to mediate the extremes of both parties and enact what they frequently would label “common sense” legislation.

The 104th Congress convened in January with 73 new Republican House members who had signed onto Gingrich’s Contract With America. Gingrich, who as the new Speaker of the House controlled the order in which bills would be considered, intended to get all the provisions

of the Contract passed in the first 100 days of the session.⁷ To do that, he'd need the votes of some Democrats. House Democrats were divided on the Contract. The leadership opposed virtually every tenet, but they followed President Clinton's lead. Clinton had his own ideas about "reinventing government" to reduce spending and balance the budget, and with some reluctance eventually he also would offer a tax cut. The Blue Dogs supported balancing the budget, but they opposed any tax cuts until that happened. When the Republicans offered a Balanced Budget Amendment in January, the Blue Dogs voted for it but helped to block language that would have made raising taxes nearly impossible. In early February, the Blue Dogs made good their pledge to oppose their own party when Clinton introduced a \$1.61 trillion budget for fiscal 1996. Browder, as a member of the House Budget Committee, "lectured" Office of Management and Budget Director Alice Rivlin that there was "a new mood in Congress."⁸ "We favor cutting spending first rather than borrow-and-spend, tax-and-spend, even tax-cut-and-spend," he said.

The Blue Dogs went public in a Washington news conference on February 14. "They're still Democrats, but 23 House members are not exactly in the fold," Browder's hometown newspaper, the *Anniston Star*, reported the next day. "The separate group ... has promised its own agenda, staking out independent positions on everything from tax cuts to Welfare."⁹

Members of the group, which took as its official name "the Coalition," were Browder and his Alabama colleague Bud Cramer of Huntsville; Blanche Lambert Lincoln of Arkansas; Gary Condit of California; Nathan Deal of Georgia; William Lipinski of Illinois; Scotty Baesler of Kentucky; Billy Tauzin and Jimmy Hayes of Louisiana; Collin Peterson and David Minge of Minnesota; Mike Parker and Gene Taylor of Mississippi; Pat Danner of Missouri; Bill Brewster of Oklahoma; John Tanner of Tennessee; Charlie Stenholm, Pete Geren and Greg Laughlin of

Texas, Ralph Hall and Bill Orton of Utah; and L.F. Payne and Owen Pickett of Virginia. Condit and Deal were co-chairmen. Browder was to head the group's budget task force, and Cramer would head the task force on crime.

The announcement led inevitably to speculation that the Coalition members were preparing to change parties.¹⁰ The *Daily Home*, a newspaper in Talladega, Alabama, in Browder's district, magnified his comment that identification with the moderate group was "a way for some, particularly the Southern Democrats, to survive."¹¹ An editorial the next day suggested that, "if the Coalition is nothing more than a subterfuge designed to support the Republican agenda while remaining in the Democratic Party, then they should follow the lead of [Senator] Richard Shelby, Alabama's best-known surveyor of political expediency: Just switch."¹² Although the Coalition members all said they were not considering such a change, the questions turned out to be appropriate, for within the year, five of the original Coalition members — Deal, Tauzin, Hayes, Parker and Laughlin — did, indeed, become Republicans.¹³

While The Coalition still had the attention of the media, Browder announced a proposal to tie tax cuts to actual progress toward balancing the budget.¹⁴ The bill, which Browder introduced on March 8 as The Balanced Budget Dividend Act, treated tax cuts as a dividend to be earned by meeting yearly deficit-reduction goals. No progress, no tax cut — and tax cuts already in place would be withdrawn in the case of deficit backsliding. The idea gained some support in the House, evolving into an amendment co-sponsored by Coalition member Bill Orton and by Republicans Michael Castle of Delaware, Fred Upton of Michigan, and Bill Martini of New Jersey.¹⁵

Back home, enthusiasm for a balanced budget among Browder's constituents met a serious challenge when a *Birmingham News* analysis determined that approximately one-third of

Alabama's budget came from the federal government. Much of the federal money came in the form of funding for school lunch programs, Welfare, Medicare and Medicaid, all programs targeted for large cuts in the Republican budget proposal. Alabama's Republican governor, Fob James, said the benefits of a balanced budget would outweigh the hardship caused by reduced federal spending in Alabama, and he contended that all federal money for the state should be delivered in a lump sum, which the state could spend as it saw fit.¹⁶ Browder told the newspaper that Alabama would have to become more self-sufficient if the Balanced Budget Amendment were ratified, and a few days later he sent a letter to Governor James and other state officials advising them to form a commission to study the impact the amendment would have on the state.¹⁷

Editorial pages in Browder's district ridiculed James' position. "Our present governor's inaugural address was on the theme of states' rights and getting rid of the meddlesome federal government," the *Daily Home* said. "Anyone who believes that Alabamians are ready to tax themselves more to provide some of these services now paid for by taxpayers who live in other states is not living in the real world. Alabamians have a long history of detesting taxing themselves almost as much as they detest the federal government."¹⁸ The *Anniston Star* said Browder's "sensible idea" of forming a commission to deal with the coming budget cuts was falling on deaf ears and that James was not dealing with reality in contending that the state would be happy to run its own school lunch program.¹⁹

The proposed cuts in the school lunch program, part of the Republican Welfare-reform plan, were difficult for Alabama Republicans to defend. Newspaper reports linked Browder's Dividend Plan, a Coalition statement that its members supported a centrist Welfare-reform plan,²⁰ and an apparent unwillingness among the state's congressional delegation to embrace the

Contract With America tax cut.²¹ The difficulty for the state's Republicans to support the measure only increased with a *Birmingham News* report that in some Alabama counties, more than 99 percent of children depended on free or reduced-price meals at school.²² Representative Tom Bevill of Jasper summed up the opposition to the Welfare proposal: "I cannot imagine anything more mean-spirited than taking food away from hungry children."²³ The four Democrat representatives, Bevill, Browder, Cramer and Earl Hilliard of Birmingham, asked Gingrich to reconsider the school lunch portion of the Welfare bill,²⁴ but to no avail. In the final House vote, the Alabama delegation split on party lines and the bill passed. However, Welfare reform proved too divisive to be settled during 1995; it was carried over to the following year, when the system was completely rewritten.

Meanwhile, the House had passed its annual rescissions bill, which would take back money allocated the previous year but not yet distributed. The bill would cut \$17.2 billion, \$11.5 billion of which Gingrich proposed to use as a down payment on the promised tax cut. Browder thought it outrageous to use the money saved from spending to pay for a tax cut when the country still expected a \$180 billion deficit. The Coalition pressured the Republican leadership to change the bill to put the savings into a "lock box" to be used only to pay down the deficit. The Republicans agreed, but then backed away from the lock-box restriction in the final bill. The bill passed without the support of The Coalition. The Senate a few days later voted unanimously to apply the \$13.5 billion in savings from its rescissions bill to the deficit,²⁵ throwing the issue back in the lap of House Republicans.

Although his lock-box amendment was now dormant, Browder's dividend plan to tie tax cuts to deficit reduction was gaining momentum in the House. With less than three weeks to go in his 100-day timetable, Gingrich was pushing hard to pass the tax-cut package before the

budget was considered. Moderates of both parties were uncomfortable with that order. “A number of members said they had a problem voting on a tax package without knowing how we are going to pay for it or having a balanced budget in line,” Martini, a co-sponsor of Browder’s dividend bill, said in the *New York Times*. Some three dozen Republicans supported the Coalition in its move to delay the tax cuts until it was clear how they would be paid for, but Gingrich was unmoved. Earlier in the week, 102 Republicans had demanded that he scale back a \$500 per-child tax credit that was part of the Contract, and Gingrich had responded “with a firm ‘No.’”²⁶

Browder’s dividend bill was introduced March 28. It would allow tax cuts to take effect as soon as the Congressional Budget Office certified that the budget was on track to balance in 2002 or sooner. The tax cuts would remain in place as long as the budget balanced, but they would be revoked in case of deficit spending. Browder knew that even though about 60 House members from both parties supported the bill, Gingrich was unlikely to allow it to come to a vote — but neither could Gingrich ignore it. Browder predicted that the Republicans would attempt to pacify the bill’s proponents by incorporating a “fig leaf” of deficit reduction, lacking the enforcement provisions.²⁷ And that’s just what happened. The final bill “articulated the rhetoric instead of the reality of deficit reduction,” Browder wrote in the May, 1995, issue of *Insight* magazine. “The compromise asks only that: Congress adopt a budget that projects balance by 2002 and pass (but not enact) the reconciliation measures called for in that budget; that Congress tell the Budget committees to report on the deficit but carries no penalty if Congress decides at a future date to forego balancing the budget; and that Congress require the president to submit a balanced budget.”²⁸

The House passed the tax cut bill, which Gingrich called the “crowning jewel of the Contract with America,” on April 6. Among the Alabama delegation, only Hilliard voted against it. Cramer, Bevill and especially Browder had some explaining to do. Cramer said he voted for it because it would provide “much-needed tax relief to families, businesses and individuals,” but he did not address the impact of the tax cut on the deficit.²⁹ Bevill, who had voted against the Reagan tax cut in the early 1980s, said he’d learned his lesson. “I think we should have made the cuts first or we might have the same problems we did with the Reagan tax cut [when Congress passed the cut but never got around to funding it],” he said, but conceded, “the people spoke on November 8. Obviously, they want a tax cut and they deserve a tax cut, and I didn’t want to miss the opportunity to give them a tax cut.”³⁰ Browder was conciliatory in explaining why he had voted for it: “While I did not get everything I wanted, the House GOP leadership did a 180-degree turn during consideration of the bill and endorsed the concept of what I had been fighting for,”³¹ he said. But he was not yet done with his dividend plan, nor with the lock-box idea, for that matter.

With the passage of the tax cut and the expiration of the 100-day timetable for the Contract With America, the pace in Washington slowed. Just before Congress took its spring break, the Coalition held a news conference to tout its influence in shaping the Contract, and the members were wearing lapel pins emblazoned with a picture of a blue dog. They were the talk of the town. Everyone wanted to know how the Blue Dogs related to Yellow Dog Democrats and where the picture of the blue dog had come from. “There’s a difference between a blue dog and a yellow dog,” Browder said at the time. “A blue dog has a better sense of smell, and a blue dog will bite!”³² The particular blue dog chosen as their mascot was the creation of New Orleans artist George Rodrigue. Rodrigue’s paintings of his dog, Tiffany, appeared in windows

and galleries all over the French Quarter, and Billy Tauzin had one hanging in his Washington office. “A blue dog knows the way; a blue dog finds the truth,” Rodrigue said.³³

In mid-May, the Blue Dogs were ready to prove the truth of Rodrigue’s description. Still dissatisfied with the Republican proposal and lacking an alternative from the Democrats, the Blue Dogs had drafted their own budget. Like the Republican plan, it cut spending to eliminate the federal deficit by 2002, but the cuts in social programs were not as deep because it put off a tax cut until the budget was balanced. Although Browder no longer chaired the group’s budget task force,³⁴ the Blue Dog budget incorporated his original principles. The first of four proposals to be debated on the House floor, the Coalition plan mirrored the Republican package offered in the Senate by Budget Chairman Pete Domenici of New Mexico. It was defeated 325-100. The main Republican bill, sponsored by House Budget Committee Chairman John Kasich of Ohio passed 238-193, without Coalition support.

The Coalition did not give up on its budget proposal. When the Senate passed Domenici’s bill, the Coalition sent a letter signed by 65 House Democrats to Domenici and Kasich, asking that the conference committee reconciling differences between the House and Senate versions of the budget delay tax cuts until the budget was balanced. To make sure the conferees paid attention, the Coalition made the letter’s contents public and revived the lock-box amendment for good measure. “We do not oppose tax cuts, but believe that deficit reduction should be the highest priority in the budget debate,” the Coalition said.³⁵

The reconciliation bill passed the House and Senate June 29 without the Coalition’s recommendations. Described as a “fiscal framework,” it did not require the president’s signature. Clinton, however, warned he would veto specific spending bills that would come later if they followed this plan. The plan provided the first details of how the Republicans would

fulfill the Contract With America's promises to balance the budget and cut taxes: Its \$894 billion in savings came mostly from Medicare, Medicaid and other anti-poverty programs. In addition, it eliminated operating funds for mass transit systems and abolished the Commerce Department and scores of other programs.

During July, progress on the budget backed up in the Senate. True to Coalition predictions, the Contract With America had splintered when the time came to put the promises into spending bills. Senate Finance Committee Chairman Bob Packwood of Oregon was pushing Democrats on the committee to forge a consensus on Medicare, but \$150 billion separated the most moderate Senate Democrats from the Republican Medicare targets, and at least three Republican moderates, including Packwood himself, were "squeamish about shrinking Medicare enough to cover the \$245 billion tax cut"³⁶ the Republicans promised. In the House, Gingrich was resisting efforts to reveal plans for Medicare before mid-September "to spare lawmakers the chore of defending painful cuts during the August recess." The press noted that time was running out for passing 13 appropriations bills needed to keep government running.

It would not be the first time the government had shut down for the lack of an operating budget — shutdowns had happened nine times since 1981, usually lasting only a weekend and having little impact. This time, though, more appeared to be at stake than a few days of inconvenience for tourists at monuments and museums. The talk inside the Beltway was all about the coming "train wreck," which would close government offices across the country, disrupt financial markets, hurt the dollar overseas, interrupt research projects and interfere with basic services at every level.³⁷

Agreements on tax cuts, Medicare, Medicaid and Welfare were not necessary to keep the government running, just the 13 appropriations bills that contained operating budgets. But

Clinton was expected to veto six of those bills and allow some federal employees to be furloughed for a few days while the two sides negotiated an agreement. The real fear was that the government would shut down again, and for a longer time, when he also vetoed the bill with the big-ticket items.

As time ticked toward the September 30 end of the fiscal year, Browder and his Coalition colleagues grew frustrated with the lack of progress. Browder told the *Daily Home* that he expected all federal agencies except those deemed essential — such as the nearby Army depot which housed a stockpile of chemical weapons and the medium-security federal prison in Talladega — would cease operating until the budget passed or until Congress passed a continuing resolution to allow the government to keep running. “Essentially, Congress and President Clinton are going to be staring at each other until one of the two blinks,”³⁸ he said. A last-minute continuing resolution delayed the shutdown until November 14, and the pace of negotiations picked up — with the Coalition attempting to broker agreements on Medicare, Welfare and deficit reduction.

The Blue Dogs had been working on a plan to cut \$170 billion from Medicare, enough to keep the program solvent but with none of the extra reductions the Republicans wanted to help pay for their tax cut. Announcing the Medicare proposal at a news conference in Jacksonville, Browder said the Coalition probably would miss the September 22 deadline for submitting it to the House Budget Committee.³⁹ In fact, work on the proposal continued for nearly a month past the deadline, but in the end both the Republicans and the Democrats blocked it from coming to a vote. The Republican bill passed 231-201, and Clinton vowed to veto it once it passed the Senate. In response to being shut out, the Blue Dogs voted “no” to the proposals offered by both parties.

The Blue Dogs had a back-up plan. They had revived their overall budget proposal and written their Medicare package into it. They were calling it the “Common Sense Budget” and said they hoped to get their entire package included in the overall budget debate in late October. The Common Sense Budget incorporated both of Browder’s original proposals, delaying any tax cuts until the budget was on track to balance (the dividend plan) and earmarking spending cuts for deficit reduction (the lock-box amendment). The Coalition plan had none of the \$245 billion in tax cuts included in the Republican plan; it cut \$100 billion less from Medicare, \$95 billion less from Medicaid, \$41 billion less from Welfare, \$21 billion less from tax credits for the working poor and \$9 billion less from farm programs; it contained none of the Republican plan’s \$10 billion in cuts from student loans nor any of that plan’s \$8.7 billion reduction in federal retiree benefits; it saved an additional \$96 billion over the next seven years by subtracting one-half of one percent of the change in the consumer price index used to calculate cost-of-living adjustments for Social Security and other federal benefit programs.⁴⁰

The Coalition budget was to be introduced in the House on October 26 as the only alternative to the Republican plan. No one expected it to pass. Republicans in the House and Senate already were trumpeting the day as the beginning of historic changes in how government functioned. Democrats were bitter. Alabama Representative Tom Bevill said he wished he could vote against the Republican bill twice.⁴¹ For Browder, it was another step in a process that was far from over.

The Blue Dogs had no hope their budget would pass. They did not expect to get any Republican votes, but they thought that if they could gain the support of 100 House Democrats — the same number that had voted for it in the spring — it would be considered a viable basis for a compromise after the Republican budget was vetoed. The Republican budget passed the

House on a straight party-line vote, the Senate passed its version the following day, and President Clinton said he would veto it. The Coalition budget got a respectable 72 votes in the house, including some from Republicans, and the Senate version sponsored by Senator Paul Simon of Illinois got 19 votes, all Democratic.⁴²

In the aftermath of the vote, the Democrats and Republicans were poles apart. The only people talking about compromise were the Blue Dogs and the editorial writers. Newspapers large and small joined the Coalition in the effort to persuade the White House and the Republicans to adopt the Common Sense Budget. The *Washington Post* said the Coalition budget was “tougher and more credible than the president’s mushy proposal, but would leave largely intact important federal programs that the Republicans would destroy. ...It isn’t a perfect plan, but it is a far better solution to the deficit problem than any other in sight just now.”⁴³ The *Daily Home* wrote, “To [its] credit the Coalition has now offered an alternative budget that makes much more sense than the one being pushed either by the Republicans or the one being supported by President Bill Clinton. The Coalition budget offers a real chance to balance the federal budget without cutting so deeply into programs like Medicare, Medicaid and other social programs that offer hope and help to so many of our citizens.”⁴⁴

The White House had taken notice of the Coalition budget and had acknowledged that it was the most likely blueprint for an eventual agreement.⁴⁵ However, reaching a compromise before the deadline would be impossible. The Republicans sent Clinton two continuing resolutions in early November, but he vetoed both. The government shut down at midnight November 14, a Tuesday. Some 800,000 federal workers were furloughed and government services ranging from Social Security to the National Parks Service were shut down until further notice.

A *Birmingham News* editorial said the resolutions had backed Clinton into a corner by including a commitment to balance the budget in seven years. Clinton, holding out for a ten-year plan, called this a “terrorist tactic.” In response, Gingrich questioned Clinton’s truthfulness, education and work ethic.⁴⁶

While Gingrich and Clinton were trading insults in the press, Coalition members continued pushing their budget as a logical compromise.⁴⁷ They enlisted the support of Democratic Representative Martin Sabo of Minnesota and Senators Bob Kerrey of Nebraska, Charles Robb of Virginia, and Kent Conrad of North Dakota and sent a letter to Clinton urging him to give up his ten-year schedule for balancing the budget in favor of a seven-year goal. The letter implored the president to take another look at their budget which demonstrated it was possible to balance the budget in seven years “while preserving the priorities that we share with you.”⁴⁸

The time had come when one side had to blink. Odds were that it would be Clinton, who had a history of backing down, but Coalition members gambled that he would listen to reason rather than stubbornly resisting a compromise while hundreds of thousands of federal employees were on unpaid leave and government services were unavailable nationwide.

Clinton, however, was in no hurry to reopen government offices. Only those employees whose jobs were deemed unessential had been sent home. Defense workers, prison employees and air traffic controllers remained on the job, but without pay. In addition, Clinton had signed six of the 13 appropriations bills, enabling agencies such as the Army Corps of Engineers, the Veterans Administration, and the Postal Service to continue operating. And although residents were frustrated that they could not get replacement Social Security cards nor have their passport

applications processed, popular blame for the shutdown was being heaped upon the Republicans.⁴⁹

Clinton stood fast. He said he'd veto a continuing resolution the House passed the evening of November 15 because the Republicans still insisted on a seven-year schedule for balancing the budget. This time the Coalition's Alabama members agreed with the Republicans. "It's time to put an end to the shutdown. It's time to stop politicking and get our government employees back to work. And it's time for the federal government to get serious about balancing the budget,"⁵⁰ said Cramer, whose district includes Redstone Arsenal, Marshall Space Flight Center and other federal agencies. The House vote was 12 short of enough to override the veto, so the shutdown continued through November 19, when a Sunday night vote produced an agreeable continuing resolution that brought government employees back to work and gave the budget negotiators until December 15 to work out an agreement.⁵¹

Both sides claimed victory in the resolution, and it showed the first real signs of movement. The agreement did not restore good will between the two sides, however, and a Gingrich aide said his boss was more than willing to "let government offices go dark again if necessary to win the budget battle."⁵²

December 15 came and went without a budget, and the government shut down again. Only around 280,000 workers were furloughed in the second shutdown, as Clinton had signed several more appropriations bills. The fight had come down to the biggest-ticket items: Medicare, Medicaid, Welfare and education.

The country and the Congress, "weary of a political process which often seems to be more about bickering and self-aggrandizement than true accomplishment,"⁵³ were eager for Clinton and congressional leaders to come to terms. Some Democrats said they would like a

chance to vote for a balanced-budget plan before the next election (nearly a year away), and Billy Tauzin, now a Republican, had organized moderate House Republicans into another Blue Dog group, the Mainstream Conservative Alliance. Alabama Representative Sonny Callahan of Mobile had joined the Republican Blue Dogs, saying he hoped that by establishing a relationship with like-minded Democrats, “we can remove some of the roadblocks to a balanced budget.”⁵⁴

Since Clinton’s veto of the Republican budget package on December 5, the Coalition had engaged in “an aggressive effort to build a consensus of support for its centrist budget.”⁵⁵ Their meeting schedule began to look like a crowded dance card, as they met at different times with Clinton Chief of Staff Leon Panetta, Labor Secretary Robert Reich, Clinton advisor James Carville, Agriculture Secretary Dan Glickman and as many lobbyists as could get slots on the schedule. Members of the group met with the Gingrich and Kasich on the morning of December 7 and with Clinton that afternoon.

Clinton, finally, was paying attention. At the meeting, he told the Blue Dogs of a new plan that would balance the budget in seven years. The Coalition praised the new plan, but members were still uncomfortable with the tax cuts that both the White House and the Republicans offered.

A new economic forecast from the Congressional Budget Office supplied some fuel for the Coalition’s compromise engine. The growing economy had added \$100 billion, reducing the necessity for the Republicans to make such severe cuts in social programs.

If the new economic numbers provided the impetus for the agreement, it did not come quickly. The second shutdown stretched on, and while Congress adjourned for Christmas, many government workers had no paychecks over the holidays. Gingrich quashed one continuing resolution and another was voted down in the House before the shutdown finally ended on

January 26. Browder said it appeared to him that both sides wanted to see the budget standoff extend into the upcoming election season.⁵⁶

A breakthrough finally came at the end of January when a group of moderate House Republicans offered a new plan to balance the budget in six years with no tax cut. The Blue Dogs applauded the plan, pointing out its similarities to the Coalition budget.

On February 1, Browder sent a letter to the president asking that he consider tax cuts separately from the budget. Browder was among a group of twenty-six House members, thirteen from either party, who called on the president and the leaders in the House and Senate to break the impasse by separating the issues of cutting taxes and balancing the budget.

A few days later, President Clinton sent Congress his budget proposal for 1997. Its major provisions were outlined in a letter to Browder from Treasury Secretary Robert Rubin.⁵⁷ Rubin's letter made it clear that the budget debacle of 1995 would not be repeated in 1996. The White House budget planners had incorporated the Coalition's primary goals in their 1997 proposal: It would balance over seven years, it would use non-partisan estimates, and it would terminate its tax cuts if the deficit had not fallen below a target amount.

Meanwhile, agreement on the final bills of the 1996 budget seemed no closer. Browder and Cramer joined a group calling for a mediator for the budget impasse. "The country is ready to move on," Browder said. "We need something to jar the president and the congressional leadership into moving."⁵⁸

Gingrich sent the House members home for the rest of February while the negotiators worked. When they returned to Washington, they brought a new mood to the Capitol. Five major budgets remained to be passed and the fiscal year was nearly half over, but the House members appeared ready to finish work on the 1996 budget and get started on fiscal 1997.

Coalition chairman Gary Condit told the *National Journal's CongressDaily* on March 18 that the Blue Dogs and House leaders were close to an agreement on a series of entitlement reforms that “could form the basis of a new balanced budget plan.” The report said Condit’s comments echoed those of Gingrich a day or two earlier, and that while the focus in Congress had “shifted to other legislation,” the Blue Dogs had continued quiet discussions with Republican colleagues about large entitlement reforms. Gingrich also said that Republican leaders were considering separating tax cut legislation from the balanced budget plan.⁵⁹

On April 26, the *Anniston Star* printed an Associated Press report in which Browder pronounced the fiscal 1996 budget passed, with a final compromise spending bill that contained level funding for education programs. “A late federal budget is better ...than no budget at all,” Browder said.⁶⁰ “We are halfway through the fiscal year. But we do have a budget.”

Browder recalled in 2005 that Clinton credited the Blue Dogs for ending the impasse. Not only did the Coalition budget provisions provide the basis for the eventual agreement, but the position of the moderate Democrats also allowed Clinton to claim bipartisan support for compromise. “Clinton thanked us for what we did and said that he could not have done it without us. He could not have brought the Democratic Party to the table... and he could not have done the deal that we did with the Republicans. The fact is we had Democrats on board, which made it legitimate for him to say he would support the bipartisan package from Congress.”⁶¹

Endnotes

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- ¹ Joan Lowy, "Houses debate budget," Scripps Howard News Service, *Birmingham Post-Herald*, 26 October, 1995.
- ² Glen Browder, interviewed by Geni Certain, Jacksonville, Ala., October 13, 2005.
- ³ Glen Browder, Column for *Lee County Eagle*, April 1994, The Browder Collection
- ⁴ Browder interview, October 2005.
- ⁵ Glen Browder, interviewed by Geni Certain, Jacksonville, Ala., January 21, 2005.
- ⁶ Ibid.
- ⁷ Associated Press, "Balanced budget victory," *Birmingham Post-Herald*, January 27, 1995.
- ⁸ Alan Fram, Associated Press, "Democrats: Budget not affordable," *Montgomery Advertiser*, February 8, 1995.
- ⁹ "New Coalition wants independence from old party line," *Anniston Star*, February 15, 1995. This article was compiled from several wire service reports. Several other newspapers published an Associated Press article with many of the same quotes.
- ¹⁰ Ted Bryant, "Party lines continue to fracture," *Birmingham Post-Herald*, February 18, 1995. Bryant, who, in the years preceding his death in June, 1999, had been the most respected political journalist in Alabama, did not write about the Coalition again in 1996. However, in this column, he issued a surprisingly accurate prediction. He saw the emergence of the Coalition and a recent spate of party switching as the latest evidence of "party fracturing," which he said was minimizing the importance of political parties to voters — and thus to candidates. Bryant noted that the party switching was about getting elected, not ideology (implying that Coalition members would switch to the GOP if they thought it necessary to retain their seats), and correctly predicted that Alabama and the rest of the South within a few years would be solidly Republican.
- ¹¹ Associated Press, "Southern Democrats looking to coalition for political survival," *The Daily Home*, February 15, 1995. *The Daily Home* is owned by the same company as *Anniston Star* and takes pains to assert its editorial independence from the larger paper, often taking a somewhat skeptical point of view on issues The Star supports.
- ¹² "Coalition members could woo voters with smart solutions," *The Daily Home*, February 16, 1995.
- ¹³ "Party switchers, past and present," Inside Politics, CNN, 23 May 2001; accessed online at: <http://edition.cnn.com/2001/ALLPOLITICS/05/23/switchers.list/>, April 16, 2005.
- ¹⁴ Letter to House Members, The Browder Collection, Coalition Budget, FY 1996-97, February 15, 1995.
- ¹⁵ Press Release, "Bipartisan deficit reduction bill introduced," Coalition Budget, FY 1996-97, The Browder Collection, March 24, 1995.
- ¹⁶ Chris Roberts and Dave Parks, "Alabama's generous uncle," *Birmingham News*, February 19, 1995.
- ¹⁷ "Browder: Commission needed if budget amendment passes," *Anniston Star*, February 27, 1995.
- ¹⁸ "What has federal government done for us lately? A lot," *The Daily Home*, February 21, 1995.
- ¹⁹ "Off-balance(d)," *Anniston Star*, February 28, 1995.
- ²⁰ Press Release, Coalition Budget, FY 1996-97, The Browder Collection, February 28, 1995.
- ²¹ Associated Press, "Few Alabama lawmakers rushing to embrace GOP tax cut plan," March 10, 1995.
- ²² Frank Sikora and Chris Roberts, "How best to serve school meal programs," *Birmingham News*, March 19, 1995.
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- ²⁵ Jerry Gray, "Budget cuts must go to deficit, Senate says," *New York Times*, March 30, 1995.
- ²⁶ Jerry Gray, "House GOP moderates demand delay in tax cut," *New York Times*, March 25, 1995.
- ²⁷ Press Release, "Browder warns of Republican 'fig leaf' on deficit reduction," Coalition Budget, FY 1996-97, The Browder Collection, April 3, 1995.
- ²⁸ Glen Browder, "Question: Should the tax cut be tied to deficit reduction?" *Insight*, May 1995.
- ²⁹ Associated Press, "3 state Democrats back GOP tax cut," *Times-Daily*, April 7, 1995.
- ³⁰ *Times-Daily*, 7 April 1995.
- ³¹ Associated Press, "3 state Democrats back GOP tax cut," *Florence Times-Daily*, April 7, 1995.

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- ³² Glen Browder, press release, April 19, 1995.
- ³³ Sean Loughlin and Carl Hulse, "GOP 'Contract with America leaves losers in its wake," *Gadsden Times*, April 9, 1995.
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- ³⁶ "GOP's 'Contract with America' stalled in Senate," Scripps Howard News Service, *Decatur Daily*, July 30, 1995.
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- ³⁸ Paul Sims, "Browder: Train wreck coming," *Daily Home*, September 6, 1995.
- ³⁹ Laura Tutor, "Browder, others consider third Medicare plan," *Anniston Star*, September 18, 1995.
- ⁴⁰ David Pace, "Conservative Democrats push budget alternative," Associated Press, *Opelika-Auburn News*, October 26, 1995.
- ⁴¹ Brett Davis, "Coalition says loss is a gain on budget," *Huntsville Times*, October 26, 1995.
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- ⁵⁶ *Anniston Star*, December 29, 1995.
- ⁵⁷ Robert E. Rubin, Letter to The Honorable Glen Browder, Coalition Budget FY 1996-97, The Browder Collection, March 13, 1996. This is Rubin's answer on behalf of President Clinton to Browder's letter of February 1.
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