

LEADING THE NEWS

## Democrats clear decks for healthcare

By Ian Swanson

Posted: 06/01/09 08:01 PM [ET]

Democrats and the Obama administration are shoving aside issues that divide their party to clear the deck for healthcare reform, which is likely to dominate the rest of the legislative year.

In doing so, the administration appears to be learning from the experiences of the Clinton administration, which engaged in divisive intra-party battles over trade and gays in the military as it fought unsuccessfully for healthcare reform. It also reflects a pivot from earlier this year, when the White House brushed off concerns that its agenda was too ambitious.

The Obama administration put the Panama free trade agreement negotiated by the Bush administration on the backburner after dozens of lawmakers expressed their displeasure in a May 21 letter to House Speaker Nancy Pelosi (D-Calif.). Weeks ago, it appeared the administration wanted to move soon on Panama, but now the agreement is not expected to be submitted to Congress until Obama outlines a broad strategy on trade.

“Healthcare is what’s on everyone’s mind,” said Rep. Mike Michaud (D-Maine), who appreciated what he described as a shift from the administration’s intent to move quickly on the deal. “We should focus on the major issues rather than dealing with something small like the Panama trade agreement.”

Rep. Phil Hare (D-Ill.), who signed the letter to Pelosi and has taken note of the administration pulling back, said Panama would be a distraction to higher-profile issues. “There’s a lot of us in the House that don’t want to see a Bush trade agreement move,” Hare said.

Business lobbyists and House aides said they believe the administration changed its strategy on Panama because of healthcare reform.

“The sense we’re getting is, the reasons they pulled back is the fear of stirring things up when they need everyone to come together,” one Democratic aide said. The fact that the administration backed off on Panama indicates “they realize the deep concern about stirring up a fight on something that’s nonessential,” the aide said.

The administration also has not pushed Congress to end the military’s “don’t ask, don’t tell” policy on gays serving in the armed forces. Democratic consultant Paul Begala, who worked in the Clinton White House, said the rationale for that decision can be seen through a healthcare lens.

A failure to finish healthcare reform would drown out other achievements and mean “very serious risks to congressional Democrats,” Begala said, while success will “amplify” other achievements.

While Congress will certainly be working on issues other than healthcare reform, Obama has made it clear that getting a health bill done in 2009 is his top domestic agenda priority.

Obama last week said, “If we don’t get [healthcare reform] done this year, we’re not going to get it done.”

Fresh off passing a climate change bill in the Energy and Commerce Committee, Pelosi is eyeing a summer vote on the measure this summer. While Obama is committed to addressing global warming, he has talked about healthcare reform far more often.

On immigration, another controversial issue that divides Democrats, the administration has offered conflicting signals. While a June 8 meeting with lawmakers from both parties at the White House has been scheduled to open the debate, it is uncertain that Congress will consider legislation this year.

Don't ask, don't tell and the North American Free Trade Agreement (NAFTA) were polarizing issues in 1993 for Democrats, the last time the party held the White House and Congress. Obama's government is filled with veterans from those wars, including Secretary of State Hillary Rodham Clinton, the face of healthcare reform as first lady in 1993.

White House Chief of Staff Rahm Emanuel was a political adviser to President Clinton, who led the White House's successful effort to win congressional approval of NAFTA in 1993. Nancy-Ann DeParle, director of the White House Office of Health Reform, was the Office of Management and Budget's designee on healthcare reform during the early Clinton years.

NAFTA was approved by the House in November 1993 by a 234-200 vote largely on the strength of Republican support, as the vote within the Democratic Caucus was 102 for and 156 against. The Clinton healthcare reform initiative formally died less than a year later.

Rep. Louise Slaughter (D-N.Y.), who voted against NAFTA, said she sees a parallel between that agreement and the much smaller Panama deal, which Republicans think would be approved by the House if it received a vote.

"President Clinton was pressing George H.W. Bush's NAFTA without any change, and the new administration appears to be doing the same thing with Panama," Slaughter said.

NAFTA was negotiated by the first President Bush and inherited by Clinton, while the Panama deal, along with even more divisive agreements with Colombia and South Korea, were negotiated by the second President Bush and inherited by Obama.

Slaughter, the chairwoman of the House Rules Committee and highest-ranking member of the lower chamber to sign the May 21 letter to Pelosi, said she's pleased Panama is on hold.

Michaud said he's hopeful a shifting tone on the Panama agreement shows Obama's administration will learn from the Clinton administration's experiences. Pressing the Panama deal would make it more difficult to get other pieces of legislation, such as healthcare reform, completed, Michaud said.

Democratic fortunes in 2010 will be tied to the success of healthcare reform, according to Begala, who regularly talks to Emanuel on politics and strategy.

"I believe the biggest single reason we lost Congress in 1994 wasn't taxes, gay rights or the assault-rifle ban," Begala told The Hill. "I believe what killed us was healthcare."

Republicans see an opportunity if the \$787 billion stimulus bill ends up serving as the 111th Congress's pinnacle accomplishment.

“If the stimulus bill become the focus for Democratic candidates in 2010, that creates more problems for swing districts and moderate Democrats,” Minority Whip Eric Cantor (R-Va.) said in an interview.

If voters weary of bailouts are worried about deficits, the stimulus cost could come back to haunt Democrats, though so far polls indicate Americans are hopeful about the economy and pleased with President Obama’s leadership on it.

Begala said Obama appears to have learned from other mistakes made by Clinton officials during the healthcare debate.

He pointed out that Obama has let it be known that he will not let a perfect healthcare reform bill be the enemy of a good one. Begala said Clinton officials worked to beat back opposing ideas.

Begala also said Obama will be boosted by Clinton’s legacy. Democrats were more divided over the need for healthcare reform then, he pointed out. The party was also going through battles over crime and welfare reform. Begala said Clinton in some ways made this year’s debate for Democrats easier by moving the party forward on those issues.