

# GOP Is Split On Raising Debt Ceiling

## Arney Seeks to Force Concessions by Clinton

By Clay Chandler  
Washington Post Staff Writer

House Majority Leader Richard K. Arney (R-Tex.) said yesterday House Republicans would make no move to raise the limit on federal borrowing authority without "substantial" budget concessions from President Clinton.

Treasury Secretary Robert E. Rubin has found numerous ways to come up with cash to keep the government running, despite the hold-down on the government's ability to borrow. But Rubin has warned that he is running out of options and that without an increase in the debt limit soon, the U.S. government could be forced into the first default in its history.

Arney also said that if there is no budget deal by Friday, congressional Republicans are willing to extend for 30 days the spending authority of the nine Cabinet departments and agencies whose funds run out then—but only under strict conditions.

On NBC's "Meet the Press," he said House Republicans would insist any extension of interim spending authority for the government be severely limited, allowing "the essential work of the government to go forward, but under rigorous and demanding circumstances" intended to give Clinton "a greater incentive to get more serious about the budget."

Arney's hard line on federal borrowing authority was sharply different

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from the approach of House Budget Committee Chairman John R. Kasich (R-Ohio) and reflected the division within GOP ranks on whether refusal to raise the debt limit with no strings attached is an effective strategy to force Clinton to make concessions on a balanced budget.

Last week, Kasich said Republicans were ready to raise the \$4.9 trillion limit on federal borrowing authority, and suggested they would send Clinton a bill to raise the debt limit that was "clean," or free of extraneous provisions the White House might find objectionable.

Arney, however, flatly dismissed that notion yesterday, saying Kasich's views were out of step with those of his GOP House colleagues.

"You're not going to take it through the House, John Kasich's willingness to vote . . . to the contrary notwithstanding," Arney said. A bill to raise the debt limit "is not coming through the House unless it carries with it something that is a substantial share of our agenda."

Following Arney on "Meet the Press," White House Chief of Staff

Leon E. Panetta called the House majority leader's position "disturbing." On ABC's "This Week With David Brinkley," House Minority Leader Richard A. Gephardt (D-Mo.) called Arney's position on the debt ceiling "the height of irresponsibility."

Since November, Rubin has freed up enough borrowing authority to continue paying bills by tapping two retirement funds for federal employees. He has said he will have to use more extraordinary measures to avert default unless Congress raises the limit before Feb. 15, when Treasury must pay \$25 billion of interest on the federal debt.

Even the most conservative House Republicans say privately that tough talk on the debt limit has hurt their party in the polls. But having staked out such clear opposition to raising the limit, they fear the consequences of voting for an increase without a balanced budget deal would be far worse.

Republicans in the Senate are less adamant about blocking an increase in the debt limit. On the ABC program yesterday, Senate Majority Whip Trent Lott (R-Miss.) struck a slightly more accommodating stance than Arney. "I do think, at some point, that



House Majority Leader Richard K. Arney, left, and White House Chief of Staff Leon E. Panetta discuss budget negotiations on NBC's "Meet the Press."

action will be taken on the debt ceiling," Lott said. But he added that "there may be some things on the debt ceiling other than just pure extension."

Armev said that any bill to raise the debt limit should include a provision to "terminate the Commerce Department" and contain legislative language that would "stop the treasury secretary from . . . raiding the trust funds of federal workers."

In November, Clinton vetoed a bill to increase the debt ceiling that included such restrictions on the authority of the treasury secretary. "The president's position is we have to have a clean extension of the debt ceiling," Panetta said yesterday. "Let's not play games with the future of this country."

Some House Republicans have threatened impeachment proceedings against Rubin to stop him from employing additional accounting maneuvers to carve out additional borrowing room for Treasury. Armev distanced himself from such sentiments yesterday. "I don't know that anybody, for example, Judiciary Committee or the Ways and Means Committee, has gotten into the kind of research that would be necessary for any kind of se-

rious talk on that front." But he accused Rubin of being "real tricky" in his use of the federal retirement funds.

Armev's offer of another short-term spending bill, or "continuing resolution," to avoid another partial federal shutdown Friday, drew a cautious response from administration officials.

Panetta said only that Clinton would be willing to sign a measure similar to the one that has been in effect for the last several weeks. That bill has funded the government at

about 75 percent of its projected spending needs.

"If they pass a continuing resolution that's similar to what we've already adopted . . . I think the president would sign that to keep the government going," Panetta said.

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