

A budget message that will be paid by the poor

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With its founding father, Sargent Shriver, new to the afterlife by just a week, the nation's \$700 million community action program received an unexpected eulogy from President Obama.

"I've proposed cuts to things I care deeply about, like community action programs," the world's most famous former community organizer told Congress in his Jan. 25 State of the Union address. Community action was the sole domestic program specifically targeted for reduction during the hourlong address. Obama's budget slashes the program by a whopping 50 percent.

Maybe this is a Nixon-to-China moment on the home front. Perhaps only the first community organizer president could dare to dismantle 40-plus years of grass-roots efforts to combat poverty. But why would he want to?

To bolster the case for cuts, the president's proposed fiscal year 2012 budget says most of the 1,100 locally-based antipoverty agencies funded with community action dollars have not been held "accountable for outcomes." In the future, the budget promises "scarce taxpayer dollars [will be] targeted to high-performing agencies that are most successful in meeting important community needs."

That's budget baloney for "sorry about that." Neither Obama nor his budget document provides any clue as to why the president "care[s] deeply about" such a wasteful program. Nostalgia, perhaps.

But there is good news too, the president told Congress. "The Secretary of Defense has ... agreed to cut tens of billions of dollars in spending that he and his generals believe our military can do without." Very nice of them. Certainly their "outcomes" are going well. Who knows, if Obama or Congress ask politely, maybe the military could find additional savings in the half-trillion-plus proposed Pentagon budget.

But the surprise attack on the relatively puny community action budget (program advocates did not see it coming until the president's speech) has little to do with "outcomes" or the merits of local agencies that administer Head Start and Foster Grandparents programs, welfare-to-work self-sufficiency grants, job training, energy assistance and weatherization efforts, nutrition programs and much more.

Instead, the agencies -- and the millions of low-income people they assist each year -- are victims of budgetary posturing and gamesmanship.

The community action program has faced serious threats in the past. Its early years as a flagship of the Johnson-era war on poverty, with Shriver leading the effort, were particularly perilous. But never have those threats come at the instigation of a Democratic president and never from one with singular credibility on the issue of community-level poverty-fighting strategies.

If Obama meant to show a level of seriousness as a budget cutter -- "Look, I'm willing to unmercifully chop programs that not only helped a lot of people in Chicago but put me on the road to the White House?" -- he's

sending an expensive message that will be paid primarily by the poor.

But if Obama believes, as he might, that community action programs and the agencies that administer them are no longer up to the task, that new strategies and tactics have left them ill-prepared to carry out their mission, he should say so. Instead, we are told, he cares deeply about the program even as he implements a death by a thousand cuts.

Something doesn't add up -- and that something is, not surprisingly, politics.

This year's budgetary disputes have reached a pitch not seen in the 30 years since Ronald Reagan tried to shrink the domestic discretionary budget even as he cut taxes for the wealthy and provided the Pentagon with everything it wanted and more. "Starving the beast" was the term used by all sides of the debate to describe a strategy that intentionally denied revenue to the government.

Reagan did not fully succeed, but he changed the context of the conversation for a generation: Year after Groundhog Day-like year, advocates for the poor were left to fight over the crumbs allocated to the domestic discretionary budget. And now Obama proposes to freeze that most vulnerable part of the budget.

But the Reagan-era budgetary gamesmanship was, in contrast to today's happenings, relatively straightforward. The spending and tax policies of George H.W. Bush have left today's leaders to cope with a federal budget that only a decade ago posted a \$200 billion-plus surplus. Next year's projected deficit, and this is if things go relatively well with the economy, is \$1.1 trillion.

Add to that a new Republican majority in the House that seems, at least for the moment, intent on keeping its pledge to reduce spending, and the budgetary game becomes both increasingly difficult to follow and increasingly shrill.

Don't lose sight of the pea inside the shell. Is it under:

- This year's federal budget (the fiscal year 2011 "continuing resolution" -- or its equivalent -- that must be extended through Sept. 30);
- Next fiscal year's proposed budget, the one that includes the community action cuts. Here, the \$61 billion in cuts pushed by House Republicans target development assistance abroad and the poor at home disproportionately ([see story](#) [1]);
- The debt-limit extension, which must be approved soon if the government is to avoid defaulting on its obligations;
- The increasingly vitriolic state-level debates where anti-union forces seek to leverage budget crises as a means to limit the ability of public sector workers to organize;
- Or, coming this summer, the appropriations process, in which the "college of cardinals" -- the 12 chairs of the House appropriations subcommittees and their Senate counterparts -- work with their members to divvy up the unallocated budgetary pie.

The bottom line for those who believe that protecting and assisting the most vulnerable in our society is the primary job of government is this: Obama and the Democratically-controlled Senate need to stand firm against the willy-nilly, cut-at-all-costs policies of House Republicans. Their counterparts at the state level need to do likewise.

We worry that the president, as a negotiator, has a tendency to give up too much too quickly. Witness the tax cut for millionaires and the complete giveaway on the estate tax included in December's tax deal. Yes, there were solid tradeoffs in the bill, but we believe a better deal was sitting there to be had.

Likewise, the president's offered freeze on domestic discretionary spending and cuts not only in community action but also in such bread-and-butter programs as help for heating bills in the winter, do not instill confidence. Meanwhile, despite the rhetoric, the Pentagon remains beyond serious scrutiny. And no one will even place the suggestion of raising taxes anywhere near the table, much less on it. Restoring tax rates (including middle-class tax rates) to the level of the prosperous Clinton era would go a long way toward solving our short-term deficit problems.

Perhaps Obama and his team are cleverer than we give them credit. Perhaps they are tactically two steps ahead of the opposition.

It was smart, for example, for the administration to delay engaging on Medicare, Medicaid and Social Security. Those are long-term issues to be dealt with, and sooner rather than later, but there is no reason to make them part of the annual budget process, particularly one that risks running off the rails.

Still, put us down as skeptics.

Nearly 50 years ago, Shriver launched a war on poverty. Today, sad to say, we'd be satisfied with the occasional skirmish.

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