NATIONAL CATHOLIC REPORTER
Published on *National Catholic Reporter* (http://ncronline.org)

What can be said about the 'fiscal cliff' deal?

Pat Perriello | Jan. 4, 2013 NCR Today

Should we congratulate Congress for finally doing its job and avoiding the "fiscal cliff"? Absolutely not. The process has been so ugly, unnecessary and frustrating that it simply continues to demonstrate how dysfunctional our government has become. In fact, I was personally so disturbed by the determination of some during the day Monday to scuttle the deal that I broke my New Year's diet. I needed my comfort food to get through the day.

However, having said all of that, I believe the post-mortems on cable TV and in the press have missed the point of what has occurred. First of all, the emphasis on who won or lost seems misguided. This is not meant to be some political game, but an attempt to resolve outstanding issues regarding the country's economy. Frankly, the deal took at least a small step in the direction of accomplishing that. Wall Street has wanted certainty, and at least in the area of taxation, that has been achieved. We can all do our taxes now, and the government can prepare the appropriate forms. Employers know how much to deduct from people's paychecks. The decisions on taxes are also permanent, so there is no need to revisit them. Tax rates are set, the Alternative Minimum Tax is permanently fixed to protect the middle class, tax credits for the poor and the middle class are included, and Republicans got pretty much what they wanted on the estate tax.

The rhetoric following the deal has been uniformly negative from just about everyone. Both conservatives and liberals consider this a bad deal. It is likely, therefore, that it is a pretty good compromise. The idea that the president caved because he went from a threshold of $250,000 to $400,000 makes little sense. These were always negotiating numbers, and everyone knew there would be some movement in this area. Again, it is in the very nature of compromise. Republican anger that no spending cuts were included neglects the fact that the grand bargain collapsed early on. The real alternative at this point was a partial deal or no deal. The remaining elements of the deal will have to be and will be worked out, but to condemn this deal for doing what could be done and moving the ball down the court is short-sighted. Even NFL teams allow themselves 24 hours to savor a Sunday victory.

A few heroes have even emerged [1] despite the unacceptable process we have witnessed.

Vice President Joe Biden and Republican Minority Leader Mitch McConnell deserve credit for closing a deal that averted a crisis that would likely have been far worse than many people seemed to think. The markets, the global economy and trust in our government would have been seriously undermined. I even think Speaker John Boehner may deserve a bit of credit. In his strange and convoluted manner, he seemed to be a partner in finding a way to move the House forward to ultimately pass the deal. Hopefully, this will set a precedent so future deals in the House will be determined by the votes of both Republicans and Democrats.

I, however, find the behavior of Majority Leader Harry Reid disturbing. He apparently stopped negotiating when he didn't like the direction the negotiations were going. He seemed perfectly content to have the country go over the cliff. Perhaps this was an appropriate position for an individual senator like Tom Harkin of Iowa, but I find it irresponsible for the majority leader of the Senate who was, in fact, tasked with the job of reaching a deal.

So what can we expect in the next few months? A number of "cliffs" remain to be averted. It will likely not be easy. Maybe something will have been learned that will help improve the process and avoid some of the pitfalls we have just gone through. Some say Democrats will be at a disadvantage in this round of negotiations. Maybe, if we are again playing a political game. Yet I believe the president is more willing and even desirous of reaching a comprehensive deal than some in his own party may be. The outcome is, like the current deal, going to be seen unfavorably by all parties. But changes need to occur, probably along the lines of the Simpson-Bowles Commission. We primarily need to ensure fairness for all, and avoid hurting the poor and the voiceless in every way possible. I believe such a deal can and will be reached.

Source URL (retrieved on *04/19/2015 - 04:46*): http://ncronline.org/blogs/ncr-today/what-can-be-said-about-fiscal-cliff-deal

Links:
[1] http://www.politico.com/news/stories/0811/60463.html