

For the sake of unity, compromise

NCR Editorial Staff | Mar. 14, 2013

Editorial

One of the last presidents to balance the budget was Herbert Hoover. Thus did Republican Congressman Peter King of New York warn his fellow Republicans that their current fixation on cutting government spending and balancing the federal budget might not be an economic winner for the country or a political winner for them.

Austerity plans have failed in every country they have been tried. During tough economic times, it is bad policy to shrink the government sector. It is even worse policy to allow the mindless sequester cuts to begin to take hold.

The most appropriate word to describe the sequester is stupid. The government budget should be scoured for savings just as families across America have had to tighten their belts in recent years. The scrutiny should certainly include the Pentagon budget, which is bloated well beyond what is needed to maintain national security, and has been for some years. But across-the-board cuts are a reckless way to proceed, and everyone knows it. Indeed, that understanding was behind the sequester in the first place; it was designed as a deterrent, as a step so irresponsible and painful that it would force the two parties to come together and reach a compromise. That they achieved no compromise is a sign not only of the utter dysfunction in play at the federal level but also of deep philosophical differences over the very purpose of government.

It is of some consolation that certain key antipoverty programs such as Medicaid and food stamps were exempted from the sequester when the notion was introduced two years ago, thanks to an interdenominational group led by the U.S. bishops.

It is necessary, too, to recognize the deficit hypocrisy evident at the moment. Many who are now certain that the deficit will cause the sky to fall unless severe cuts are made in social programs had no fear of profligate spending for two senseless wars and still insist on excluding the military establishment from any conversation dealing with budget cuts.

We recognize that the U.S. government's debt problem has been long in the making and is driven by entitlement spending. The sequester, unfortunately, addresses immediate spending and does not change entitlements a whit.

Washington's dysfunction is a result, at least in part, of the disconnect between overheated public rhetoric and the wishes of the electorate. On one hand, much of the political conversation is driven by those who would take as blunt and senseless an instrument as sequester to the entire government. The tea party view of government as enemy has seriously disfigured the political conversation and generally obstructed any meaningful discussion of real solutions. And solutions are needed. Polls show that while Americans want cuts in federal spending, they also want to keep intact the programs they really like, which include some of the major contributors to the federal debt.

Amid Washington's rancor, neither party has been able to penetrate the stalemate with reasonable proposals to solve the problem.

The Republicans are right to worry about deficit spending and to urge action now. No one ever stopped drinking with one last drink. And the Democrats are right to worry about the negative consequences of short-term cuts on the still fragile recovery. The answer is obvious: a mix of tax changes and tweaks to the entitlement programs and, most especially, a bipartisan commitment to implementing the Affordable Care Act in ways that reduce the rising costs of health care. Until health care costs are contained, America will have a budget problem.

The road ahead has more bumps in it. At the end of March, Congress must pass a continuing resolution. The resolution is a Band-Aid applied to Washington's inability to pass a budget, and keeps the government running at current spending levels. If Republican budget cutters wish to make a stand, they could shut down the federal government by refusing to pass a continuing resolution. Later this year, a vote will be needed to raise the debt ceiling, another potential nightmare. The roller coaster of showdowns between Congress and the White House stretches as far as the eye can see.

We believe the GOP's intransigence and faulty economic theories are the principal culprits in this ugly drama. But we also fault President Barack Obama for a failure of leadership. He should have congressional leaders to the White House every day until they reach a grand bargain that brings these monthly crises to an end and, therefore, restores a sense of equilibrium and stability to the markets. We are baffled he has not been more aggressive in pursuing a solution.

Fights over the budget are as old as the Republic. The current moment is not unlike that involving the founders. In 1790, Alexander Hamilton needed help in the question of the federal government's assumption of state debt. Thomas Jefferson hated the idea, but "appreciated the need for unified action," writes Jon Meacham in his masterful biography, *Thomas Jefferson: The Art of Power*.

The Congress at the time, Meacham writes, "seemed paralyzed" and bitterly divided.

Jefferson believed that "men of sound heads and honest views need nothing more than explanation and mutual understanding to enable them to unite in some measures which might enable us to get along." He also believed "that if everyone retains inflexibly his present opinion, there will be no bill passed at all for funding the public debts, and "without funding there is an end of the government."

Over dinner, a deal was struck.

Those who believe in some specious notion of purity in the founder's activities should take note. They compromised for the sake of unity, a model that would do us well today.

Source URL (retrieved on 01/27/2015 - 22:34): <http://ncronline.org/news/politics/sake-unity-compromise>