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# The Tiny, Tiny Budget Deal

Michael Sean Winters | Dec. 11, 2013 Distinctly Catholic

The budget deal announced last night by Congressman Paul Ryan and Senator Patty Murray is certainly a deal, but it does not have a whole lot of impact on the budget. The deal represents the bare minimum each side could agree to in order to avoid the appearance, evident during October?s government shutdown, that our Congress has all the seriousness of a legislature in a banana republic.

To be clear, a deal that averts a government shutdown is better than another shutdown. But, that is an astonishingly low bar. Nor should we be quick to join the meme that this is the best one can do with a divided government. Divided government accomplished tax simplification during the second Reagan term, a balanced budget during the Clinton years, and, further back, a host of budgetary initiatives during Nixon?s tenure. And, it is obvious that the outlines of a ?grand bargain? are well known and widely embraced by centrists in both parties.

The toughest pill for Republicans to swallow in the deal is the steps it takes away from the sequester, the automatic spending cuts that began last winter, with another round of across-the-board cuts set to begin in January. If the only thing you care about is cutting the size of government, the sequester worked pretty well. Of course, it worked like a chainsaw, not a scalpel, cutting indiscriminately among programs that are essential and those that are not, and the only reasons the Republicans in Congress were alarmed about the second round of cuts is that they were really going to clobber the Pentagon budget.

The toughest pill for the Democrats to swallow is that the deal does not include an extension of benefits to the long-term unemployed. Starting three days after Christmas, some million fellow citizens who have been unable to find work are set to see their benefits expire. The Republican negotiators seemed content to play the part of Scrooge this Christmas.

For the Democrats, the best new thing in the deal is the restoration of some domestic funds, which should allow the administration to spend more money on infrastructure and education. For the Republicans, the best aspect of the deal is that many of the cuts are permanent, such as the provisions regarding federal pensions, including military pensions. Of course, no one really looked at the issue of federal pensions and said ? wait a minute? Instead of making current employees pay more, why not require that pensions be paid only when a person is actually retired? I find it disturbing that there are so many ex-military officials and former congressional aides who leave government in their fifties with a full pension, and take a second high paying job, usually one that is the result of their long service in government. Let the pension payouts begin when they want to play golf, not when they want to work on K Street. Alas, a person can hope, can?t he?

Politically, this is a win for the Democrats en banc and for some Republicans. The Tea Party crowd is already denouncing the deal, so Ryan looks like a centrist. I wonder, though, how the issue of ending long-term

unemployment benefits will play out. Not only will one million Americans really be hurt by this inaction, but those same million people will no longer be pumping those benefits right back into the economy. Just as the economy appears to be picking up steam, ending the benefits will slow things down.

But, the GOP opposition also undercuts one of their principal arguments against the Affordable Care Act. For weeks, the GOP has been bemoaning the fate of those whose health insurance plans have been canceled and who must now find a different plan. Some of those people are expected to pay more for the new plans. How horrible for them? But, the GOP?s concern for those who are unemployed? Alas, that does not fit the attack the ACA all the time narrative. Over the long haul, however, I can think of no single act this Congress could do that would further cement the GOP?s image as the party that doesn?t give a damn about poor people and only looks out for the rich. They still have a Mitt Romney problem even though they no longer have Mitt Romney. If Democrats are smart, and that is a big if, they will point out, again and again, that the GOP was willing to cut benefits for unemployed people, make military personnel contribute more for their pensions, charge higher fees for airport security, so long as they did not have to close a single, solitary tax loophole for some rich fat cats.

The ?grand bargain? is not happening now for political, not economic, reasons. As long as the ?Hastert Rule? is in place, there are too many Tea Partyers in the GOP caucus to reach a grand bargain. And, Democrats in the House are increasingly unwilling to back a measure they don?t like in the interests of party unity or supporting the President or the good of the country. I fear that a grand bargain will only emerge once one party or the other controls both chambers and the White House, and then it will not be a bargain at all.

All the above assumes that Speaker Boehner can marshal the votes in the House to pass the deal. That is a big assumption. Even with Ryan?s imprimatur, many conservative, Tea Party affiliated groups have already denounced the deal. One suspects they are allergic to the idea of a deal, no matter what it contained. The dysfunction in Washington remains essentially in tact, deal or no deal.

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