

The President's Budget

Leaving the hard choices for the next one

“WE CAN no longer afford to leave the hard choices for the next budget, the next administration or the next generation,” declared President Barack Obama last week as he unveiled his budget. Well, yes, but that is exactly what he does. We just hope that it is only until the next budget rather than the next administration.

The White House has tried to produce as much hoopla as possible around a proposed \$17 billion in savings. But while the savings are nice as far as they go, they are part of a budget that will add trillions to the national debt. The budget relies on so much borrowing that it will cost taxpayers more than \$4 trillion just to cover interest payments for the next 10 years — more than twice what the federal government will spend on education, energy, homeland security and veterans combined. The president has made the point repeatedly that there is still more to do in fixing fiscal problems, but he is clearly front-loading his agenda with new spending priorities. The strategy of delaying the tough choices on entitlement and tax reform runs the risk of bumping up against that predictable refrain, “we can’t do that in an election year!”

That’s one reason we were encouraged by a speech last week by House Majority Leader Steny H. Hoyer (D-Md.). On Social Security, the dreaded “third rail,” he delivered a firm scolding to both parties: Democrats, for persistent demagoguery on the issue, and Republicans for refusing to countenance any mention of tax increases. He mentioned specific reforms such as cutting benefits, raising

the retirement age and increasing taxes. That provides a far more helpful foundation for discussions than an insistence that only tax increases on the very rich are needed, as some members of his party suggest.

On health care, Mr. Hoyer emphasized the importance of controlling costs rather than expanding coverage and said Congress would have to do more than what the administration is proposing to get health-care costs under control. In his plea for bipartisanship, he recognized Republican concerns that any tax increases would simply be swallowed up by new entitlement spending rather than getting deficits under control. At the same time, he reflected Democrats’ worry that making changes to popular entitlement programs could undermine support for them.

Another local politician, Rep. Frank R. Wolf (R-Va.), has also pushed persistently for entitlement reform, championing a commission that would put all proposals on the table. In the Senate, Lindsey O. Graham (R-S.C.) has courageously tried to get Social Security reform moving while showing a willingness to talk about both spending and revenue options, which is refreshingly realistic from a conservative Republican. Congress is not exactly bursting with members who are willing to face up to the stark realities created by our unending appetite for borrowing to fund the budget; too many members fall back on “we don’t have a problem” or “no new taxes.” But if the president means what he says about not delaying the hard choices, there are a number of politicians who seem ready to join him.