Compromise, compromise

By <u>Steve Thorngate</u> July 22, 2011

In the ongoing debt-ceiling negotiations, several things have become clear:

- Obama's main goal is to get to yes. Perhaps this is due to his elevation of responsibility over conviction, as George Packer <u>argues</u> (via <u>David Gibson</u>); certainly Obama also wants to ride this grand bargain to reelection.
- Republican leaders' main incentive is to prevent this.
- Speaker Boehner and House Majority Leader Eric Cantor are further motivated by their own fight for control of House Republicans.
- The policy debate is quite narrow: should Democrats give in to all of Republicans' demands, or just most of them?

In other words, there isn't a serious policy debate here. Publicly at least, most elected officials agree that we need major spending cuts. So finding common ground should be easy--except that the fight isn't about how much to cut or whether to raise taxes a bit, too. It's about zero-sum electoral politics.

But count on the mainstream news media to conflate the two--in service of the timeless trope that everyone just needs to meet in the middle of wherever they are right now.

Case in point: <u>Jay Newton-Small and Michael Scherer's Time feature</u> on President Obama's private negotiations with House Speaker Boehner, which culminated in a deal that then fell apart. (Now they're working on another one.) My blood pressure started rising in the third paragraph:

Lawmakers must work out a package of spending cuts and revenue increases that will permit the Treasury to keep paying its bills through August and beyond.

No, to accomplish this lawmakers must *raise the debt ceiling*. They'll have to do this no matter how much they cut the deficit, and the only reason the two tasks are bundled so tightly together is that the Republicans are insisting on it.

So [Obama and Boehner] began to talk about the truly epic possibility of using the threat, the genuine danger of default, to freeze out their respective extremists.

What Democratic extremists? What's the liberal parallel to House Republican hardliners who maintain that only a deal in which they give up nothing is worth considering?

Democrats would have to accept hundreds of billions of dollars in cuts to cherished entitlement programs like Medicare; Republicans would agree to close gaping holes in the tax code; both sides would work together to pass a separate measure to flatten tax rates by the end of the year (a plan that meant that taxes on the wealthiest Americans would go up). Obama was willing to consider slowing the rate of cost-of-living increases for Social Security as well. Both parties would have to swallow hard, but it was the grand compromise that had eluded Washington for two decades.

Translation: Cuts to domestic spending would be even bigger than expected and would include cuts to Medicare and maybe Social Security. Republicans would feign disappointment when agreeing to cut tax expenditures (aka government spending in disguise). Instead of letting the Bush-era tax cuts expire as scheduled in 2013, they would become permanent for everyone except the wealthiest Americans. Democrats would have to swallow hard: it was a grand compromise in which one side does virtually all of the compromising, despite being in control of most of the government.

The Republican refusal to consider any new revenues, including making easy fixes to the tax code to close loopholes for businesses and other groups that don't need public subsidies, is as recklessly absolutist as Democrats' insistence that bloated entitlement programs are untouchable. . . . Neither side will give an inch until the last minute.

There's a difference between refusing to move an inch *ever* and refusing to move an inch farther than the miles you've already moved. But anyone who relies on *Time* this week to catch them up will be left with the usual narrative: both sides are too strident. Why can't they just compromise?

On the policy, one side already has--a lot. On the politics, compromise is an absurd concept, because you can't both win an election.