

Austerity takes some hits

By [Steve Thorngate](#)

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[This](#) is a welcome development:

Call them the debt crisis dissenters.

The two parties are miles apart on how to cut the deficit and national debt: Republicans want to slash spending even more. Democrats want to raise revenue.

And then there are the other Democrats — the ones who reject the entire premise of the current high-stakes fiscal fight. There's no short-term deficit problem, they say, and there isn't even an urgent debt crisis that requires immediate attention. This group could make it even harder for President Barack Obama to strike a grand bargain because they increasingly see no immediate need for either new spending cuts or significantly more revenue, both of which they say could further slow the economy.

They're right, and it's refreshing to hear elected officials say publicly that the primary issue is [not how we tackle deficits but when](#). What's more (according to [the same article](#)),

the intellectual shift away from austerity is not just coming from the left.

The conservative American Enterprise Institute issued a paper last week saying Congress has already achieved enough deficit reduction for now. Other organizations not typically associated with free-spending liberalism, including the International Monetary Fund and Goldman Sachs, have cautioned that the austerity movement — which favors rapid reduction of national debt — may be worsening Europe's economic problems and slowing down the U.S. recovery, as well.

Meanwhile, last week Team Austerity took a hit when [their favorite economic study turned out not to mean what they think it means](#). Paul Krugman responds with [his](#)

[umpteenth highly readable primer on what we should do instead of embracing austerity](#). And Ezra Klein [points out that most economists agree with Krugman's basic theory here](#), whether or not they share his politics.

The problem is getting Congress on board. Will Washington stop obsessing over deficits and actually do something to help struggling Americans? It remains to be seen, but it's looking somewhat more hopeful.