Debt panel members face conflicting pressures

ALAN FRAM - Associated Press - Associated Press

Before even getting down to work, members of Congress' new debt-reduction supercommittee face pressures to rally behind partisan principles and to find even more savings than planned.

House and Senate Republican leaders named their six appointees to the 12-member panel on Wednesday, a mix of partisans and pragmatists, veterans and freshmen. Senate Democrats named their three participants on Tuesday, leaving House Minority Leader Nancy Pelosi, D-Calif., to make her selections by next week.

Members of both parties said the job of whittling down the government's enormous debt was urgent, yet critics expressed little hope that the bipartisan panel would be able to overcome stark political divides.

Either way, deficit foes said the nation's growing red ink was so dangerous that the panel should double or triple the $1.5 trillion, 10-year savings goal set by the debt-limit compromise President Barack Obama and Congress enacted last week.

"It's not going to be simple to come to a deal," said Maya MacGuineas, president of the Committee for a Responsible Federal Budget, which advocates balanced budgets and a larger package of savings.

She said greater debt-reduction would require addressing the entire budget, meaning both parties would have to yield — Republicans in their opposition to revenue increases and Democrats in their resistance to trimming benefits from Social Security, Medicare and Medicaid.

Complicating the panel's task are the economy's alarming stall, the chaos dominating financial markets and last week's historic downgrade of the government's credit rating.

When Congress returns next month, those factors could spur lawmakers to refocus on job creation, which usually costs the government money and drives up short-term deficits, or prod them to craft a deficit-cutting bill ahead of next year's presidential and congressional elections.

Failure — a real possibility considering the partisan clashes over tax increases and benefit cuts — would trigger automatic spending cuts in hundreds of defense and domestic programs.

"There's going to be wailing and gnashing of teeth," said former Sen. Alan Simpson, R-Wyo., who co-chaired a bipartisan deficit commission that recommended trillions of dollars in savings last year.

On Wednesday, House Speaker John Boehner, R-Ohio, named conservative Rep. Jeb Hensarling, R-Texas, a rising force among House Republicans, as GOP co-chairman of the powerful new panel. He also appointed House Ways and Means Chairman Dave Camp and House Energy and Commerce Chairman Fred Upton, a pair of veteran Michigan Republicans, to the committee.

Senate Minority Leader Mitch McConnell, R-Ky., named confidant and No. 2 Senate GOP leader Jon Kyl of Arizona, tapping a lawmaker who is retiring in 2013 and is a solid conservative. He also appointed GOP Sen. Pat Toomey of Pennsylvania, elected last year with tea party backing, and fellow freshman Sen. Rob Portman of Ohio, a former budget director and trade representative for President George W. Bush who is viewed as a possible vice presidential pick next year.

On Tuesday, Senate Majority Leader Harry Reid, D-Nev., chose Sen. Patty Murray, D-Wash., who runs the Senate Democratic campaign arm, as Democratic co-chair of the debt committee. He also appointed 2004 Democratic presidential nominee and Senate Foreign Relations Committee Chairman John Kerry, D-Mass., and Senate Finance Committee Chairman Max Baucus, D-Mont., a centrist who strayed to back Bush's 2001 tax cuts.

Boehner said his appointees are trusted leaders "who understand the gravity of our debt crisis." He acknowledged the two sides' differences but said the committee provided an opportunity to "come together to do what's best for our country."

At the White House, spokesman Jay Carney said Obama expects members of the committee to "act seriously." He reiterated Obama's call for "a balanced approach," which means a mix of spending cuts and tax increases.

Yet critics noted that none of the Senate's so-called Gang of Six, a bipartisan group of senators who proposed trillions in spending cuts and tax boosts this year, was named to the panel. And while Baucus, Camp and Hensarling were members of the bipartisan deficit commission that Simpson headed with Democrat Erskine Bowles, critics pointed out that all three had opposed that group's final recommendations.

"I'm nervous that the far left and the far right are in here, and I don't see them being the ones" likeliest to strike a compromise, said G. William Hoagland, a former top GOP Senate aide who now lobbies for Cigna Corp.

With the panel split evenly between the two parties, seven of the 12 members will have to approve a debt-cutting plan before it can be sent to Congress for votes. That means at least one lawmaker would have to agree to a plan backed by the opposite party.

The committee has until Thanksgiving to complete its work and Congress until Christmas to vote on it, with a presidential and congressional election year looming when the calendar flips to 2012.

While Baucus, Portman and Upton are widely viewed as among the more pragmatic lawmakers picked for the panel, critics said it was hard to imagine them abandoning

their parties on such a high-profile issue. Hensarling and Toomey are considered two of Congress' most conservative members and the least likely to budge on tax increases. Kerry is a liberal who seems unlikely to consent to benefit cuts, while Kyl, Murray and Hensarling are party leaders in their chambers.

"These are nine people who are there to protect established positions as they walk in the door," said Stanley Collender, a partner with Qorvis Communications and a former Democratic congressional budget aide.

Underscoring the views that panel members bring to their new posts, Camp said in an interview Wednesday that raising taxes "would hurt our economy and our ability to create jobs."

"I think the focus needs to be in reducing spending," he said. "When you're in debt, you need to look at spending."

Toomey, the only member of the panel so far who voted against the bipartisan bill that established the debt-cutting committee, told reporters that while all big benefit programs should be considered for savings, "I'm not interested in some kind of big tax increase."

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Associated Press writers Stephen Ohlemacher, Ben Feller, Andrew Taylor and Tim Raths in Washington and Marc Levy in Harrisburg, Pa., contributed to this report.

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