Administration warns of 'destructive' budget cuts

ANDREW TAYLOR - Associated Press - Associated Press

A White House report issued Friday warns that $109 billion in across-the-board spending cuts at the start of the new year would be "deeply destructive" to the military and core government responsibilities like patrolling U.S. borders and air traffic control.

The report says the automatic cuts, mandated by the failure of last year's congressional deficit "supercommittee" to strike a budget deal, would require an across-the-board cut of 9 percent to most Pentagon programs and 8 percent in many domestic programs. The process of automatic cuts is called sequestration, and the administration has no flexibility in how to distribute the cuts, other than to exempt military personnel and war-fighting accounts.

"Sequestration would be deeply destructive to national security, domestic investments and core government functions," the report says.

The cuts, combined with the expiration of Bush-era tax cuts at the end of the year, have been dubbed the "fiscal cliff." Economists warn that the one-two punch could drive the economy back into recession.

The across-the-board cuts were devised as part of last summer's budget and debt deal between President Barack Obama and Capitol Hill Republicans. They were intended to drive the supercommittee — evenly divided between Democrats and Republicans — to strike a compromise. But the panel deadlocked and the warring combatants have spent more time since then blaming each other for the looming cuts than seeking ways to avoid them.

The White House report continues in that vein, blasting House Republicans for an approach to avoiding the sequester that relies on further cuts to domestic programs while protecting upper-bracket taxpayers from higher rates proposed by the president.

In advance of the report's release, White House press secretary Jay Carney went on the offensive, blasting "the adamant refusal of Republicans to accept the fundamental principle that we ought to deal with our fiscal challenges in a balanced way."

Republicans are trying to cast any blame for a possible sequester squarely on Obama, saying it was the White House's idea during last summer's budget negotiations — an argument that fails to acknowledge that GOP leaders backed the idea at the time and all voted for it.

In advance of the election, rival Democratic and GOP sides are dug in, unwilling to make the required compromises and unable to trust the other side. It's commonly

assumed that there will be more serious efforts to forestall the cuts in a postelection lame duck session, though it may only be for a short time, to give the next Congress and whoever occupies the White House a chance to work out a longer-term solution.

If not, sharp cuts are on the way.

The report warns that the Pentagon faces cuts that "would result in a reduction in readiness of many nondeployed units, delays in investments in new equipment and facilities, cutbacks in equipment repairs, declines in military research and development efforts and reductions in base services for military families."

On the domestic front, the White House warns of dire effects as well.

"The number of Federal Bureau of Investigation agents, Customs and Border Patrol agents, correctional officers and federal prosecutors would be slashed. The Federal Aviation Administration's ability to oversee and manage the nation's airspace and air traffic control would be reduced," the report says. "The Department of Agriculture's efforts to inspect food processing plants and prevent foodborne illnesses would be curtailed."

Many big programs, like Social Security, Medicaid, federal employee pensions and veterans' benefits and health care would be exempted. Medicare would be limited to an $11 billion, 2 percent cut in provider payments.

Also cut would be $14 million to treat emergency responders and others made ill as a result of the 9/11 attacks; $33 million for federal prosecution of violent crimes against women; and $2.5 billion for medical research and other work by the National Institutes of Health.

"No amount of planning can mitigate the effect of these cuts," said the report. "Sequestration is a blunt and indiscriminate instrument. It is not the responsible way for our nation to achieve deficit reduction."

Other cuts would include $5 million from Obama's own office at the White House; $140 million from financial aid for college students; $216 million from efforts to prevent the spread of nuclear weapons; $471 million from highway construction and $1 billion from aid for handicapped and children with other special needs.

The 394-page report, however, simply lists the dollar amount of the cuts but fails to address their real-world impact. For instance, it would cut the number of food inspectors and air traffic controllers on the job. But when asked on a conference call, a top White House official wouldn't say whether such cuts would require closing meatpacking plants or shutting down smaller airports.

"The report makes clear that sequestration would cause great disruptions across many vital services, from cancer research at NIH to food safety efforts at the Department of Agriculture, and public safety at the FBI to lowered military readiness," said Rep. Chris Van Hollen of Maryland, the Budget Committee's top

Democrat. "It's time to stop the political games and start working together to prevent the sequester, protect the economic recovery and get our fiscal house in order."

The White House has consistently advocated a "balanced" approach to replacing the sequester cuts and noted its submission last fall to the supercommittee and its budget plan in February as its alternatives. Republicans dismissed Obama's budget out of hand.

"The nation deserves to know: Does President Obama truly want to cut almost 10 percent of our national defense at a time when the United States is still under attack from radical forces abroad?" said Rep. Jeb Hensarling, R-Texas.

Source URL (retrieved on *07/12/2014 - 10:08am*):
http://www.mdtmag.com/news/2012/09/administration-warns-destructive-budget-cuts