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Armed with Austerity

More than 25 years ago, the late Rep. Jack Kemp told me, "In the past, the left had a thesis—spending, redistribution of wealth and deficits. Republicans were the antithesis—spending is bad."

The man who became the Republican nominee for vice president in 1996 went on to say, "Ronald Reagan represented a breakthrough for our party. We could talk about lower taxes and more growth. We didn't have to spend all our time preaching austerity and spending cuts. The question now is, do we take our thesis and move it further, or do we revert to an anti-spending party?"

We now have the answer: Republicans have reverted to an anti-spending party. Their latest cause? Austerity. Their argument? A shrinking economy is better than big government.

President Obama tried to call the Republicans' bluff in his State of the Union speech. "Deficit reduction alone is not an economic plan," the President said. He didn't come out against deficit reduction. He said it should not be given a higher priority than economic growth. There are many reasons why it is important to reduce the national debt, but short-term economic growth is not one of them.

There's little argument that the impending sequesters—across-the-board government spending cuts scheduled to begin March 1—

will slow the nation's economic growth. In fact, it's already happening. The nation's economy shrank in the last quarter of 2012. Economists attribute it to cutbacks in defense spending in anticipation of the sequesters. More cutbacks

will give us exactly what the country doesn't need right now—*austerity.* "The American people don't believe in these austere things," Senate majority leader Harry Reid (D-Nev.) said.

Among the austere things would be an additional million Americans thrown out of work.

"There is no reason that the jobs of thousands of Americans who work in national security or education or clean energy—not to mention the growth of the entire economy—should be put in jeopardy," Obama said.

Yes there is, Republicans say. It's to make a point: we have to shrink government. If that means some economic pain, well, "No pain no gain," as they say in sports.

Republicans are gambling that voters will take the spending cuts in stride. Then Republicans can say, "See? We can live with smaller government." The financial markets have already absorbed the spending cuts and are hitting record highs. Safety net programs like social security and Medicare are protected from the cuts. Taxes are not going up.

Americans who live in areas hard hit by spending cuts—near military bases, for instance—are likely to squawk. But Republicans

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think they can blame the President. He's in charge, isn't he? Why didn't he do something to stop us? Sen. James Inhofe, the ranking Republican on the Senate Armed Services Committee, called the military situation "desperate" but then added, "It's not desperate enough to raise taxes."

Democrats believe this will be like the government shutdown in 1995, which discredited the Republican Congress and helped get President Clinton re-elected. It's not likely to be that dramatic—at first—because the cuts will not occur all at once. But there is another looming deadline at the end of March when the federal government really could shut down if Congress doesn't pass a budget. Tea Party Republicans are willing to take that risk. They want to make the point that government spending has gotten so out of control that extreme actions must be taken to cut it back. Most of them weren't in Congress in 1995.

President Obama learned something in his first term. He learned from bitter experience—notably the debt ceiling episode in 2011—that you can't make deals with Tea Party Republicans. As a White House adviser told the *Financial Times*, "You can't be reasonable with unreasonable people." How unreasonable? In the January Pew poll, 59% of Democrats and 53% of Independents said "I like elected officials who make compromises with people they disagree with." Only 36% of Republicans felt the same way.

The President is taking his case directly to the American people, rallying supporters around the country and keeping his 2012 campaign operation going. He's making the case for government, something he started doing in his second inaugural address and in his State of the Union speech. That government should not just keep the economy growing but also fix problems that the market can't solve, like increasing economic inequality and declining competitiveness of U.S. workers.

Republicans believe that if they keep Congress fixated on an unending fiscal crisis—first the sequesters, then the federal budget, later the debt ceiling—they won't have to pay any attention to the programs President Obama proposed in his State of the Union speech. Like raising the minimum wage to lessen inequality. And universal pre-school to help make American workers more competitive. Republicans believe they can just run out the clock.

They think they have President Obama over a barrel by forcing him to defend big government. They thought the same thing during the campaign last summer when President Obama said, "If you've got a business, you didn't build that." Meaning, government played a role in making your business profitable. Republicans tried to turn Obama's comment into the central meme of their campaign. Delegates at the Tampa Republican convention carried signs saying, "We built it!" They chanted "We built it!" on the convention floor. "You didn't build that" was supposed to be the equivalent of Mitt Romney's "47%" gaffe.

But guess what? Obama won. ■



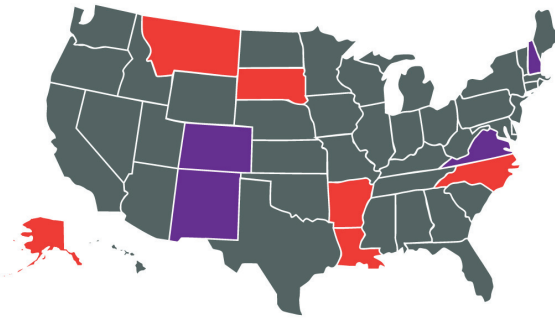
Red State Democrats

There will be 35 Senate races in 34 states next year (two contests in South Carolina). Democrats now hold 21 of those seats. Six of those Democrats will be running in red states that voted for Mitt Romney last year. Another four are running in swing states that Barack Obama won by relatively narrow margins. When the Senate votes on gun control and immigration reform this year, those are Democrats who will be under the gun, or on the fence.

Should those Democrats be worried?

New York Governor Andrew Cuomo pushed through new gun laws in New York after the school shootings in Newtown, Conn., in December. In four Quinnipiac polls taken in 2012, Cuomo's job approval rating in New York was over 70%. In January, 2013, it dropped 15 points. Down 20 points among men.

Cuomo still looks O.K. His job approval is 59%. But if the gun issue can damage a Democrat in New York named Cuomo, no one is safe.



■ Red State Democrats Up for Reelection

AK - Mark Begich LA - Mary Landrieu NC - Kay Hagan
AR - Mark Pryor MT - Max Baucus SD - Tim Johnson

■ Swing State Democrats Up for Reelection

CO - Mark Udall NM - Tom Udall
NH - Jeanne Shaheen VA - Mark Warner

Government a Threat?

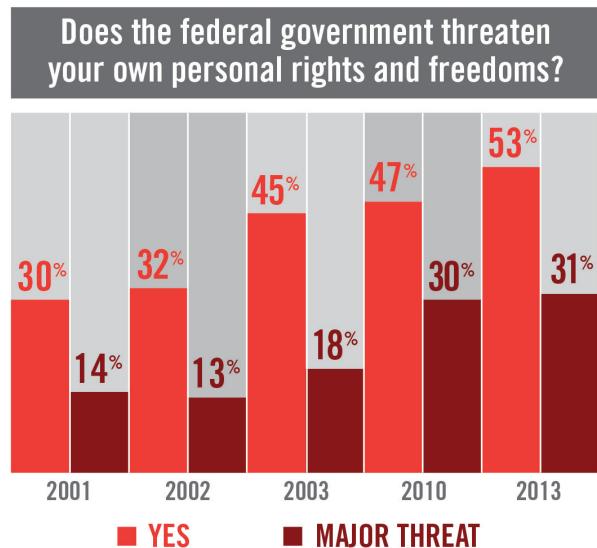
A majority of Americans believe the federal government threatens their personal rights and freedoms. That's something we've never seen before. Polling by the Pew Research Center and other organizations show the number of Americans who feel threatened by the federal government climbing steadily since 9/11. In January 2013, nearly a third of Americans called the federal government "a major threat."

What rights and freedoms do people believe are threatened? The polls do not say. But there appear to be a variety of perceived threats, judging from the groups that feel most threatened.

At the top of the list: conservative Republicans, more than three quarters of whom see the federal government as a threat. President Obama represents their worst nightmare of big government: huge deficits, government bailouts, government control of health care. After health care reform was signed into law in 2010, a Tea Party activist told a rally in Iowa, "Every single person's body in this whole country belongs to the government now."

Also near the top of the list: gun owners, 62% of whom see the federal government as a threat. That's one of the reasons they buy guns.

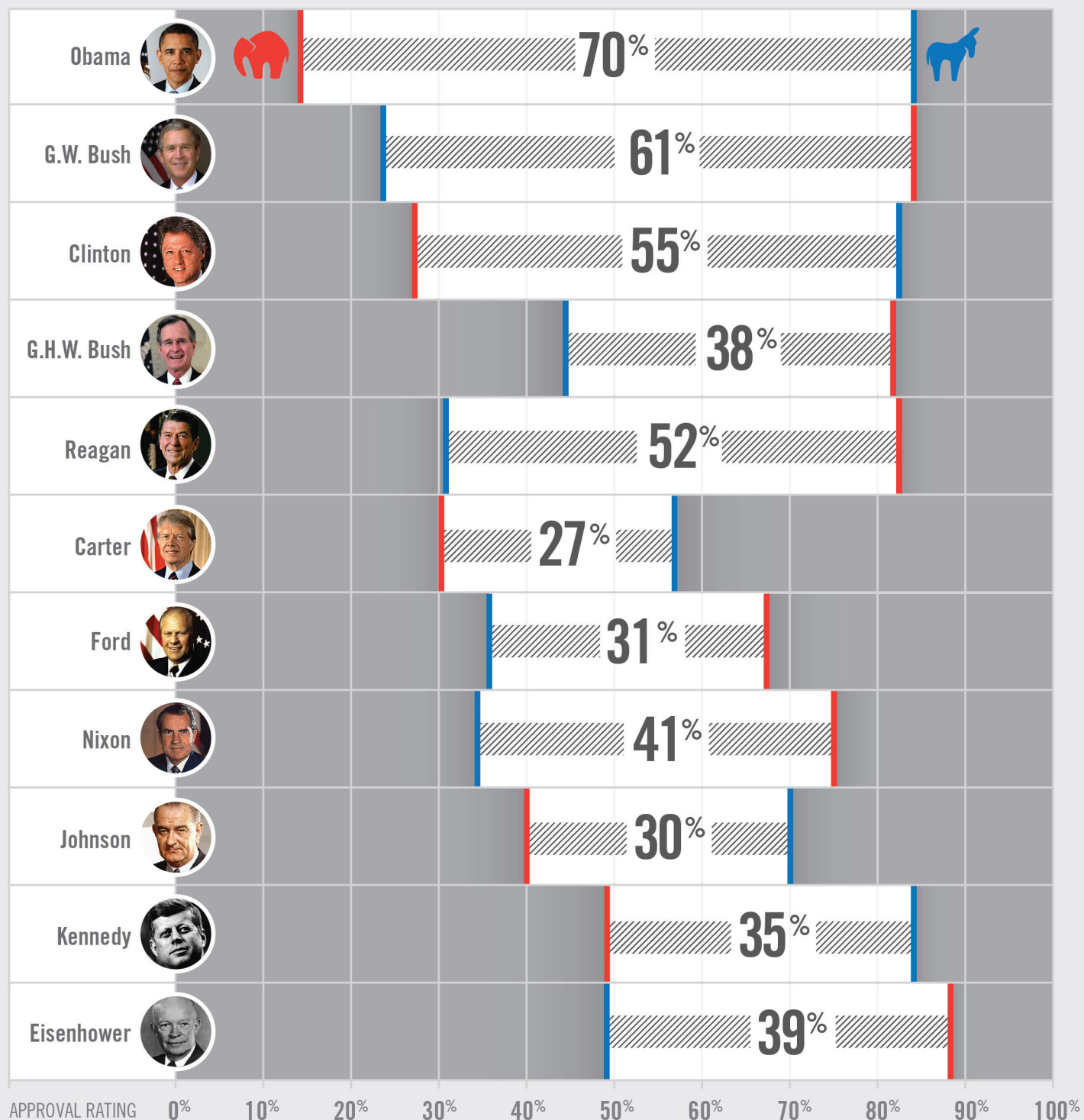
Increased government surveillance after 9/11 appears to have played a role. The biggest jump occurred between 2002 and 2003 when many security measures like those at airports went into effect. You even find heightened concern among self-described liberal Democrats. More than a third see the federal government as a threat to their personal rights and freedoms. Liberals may have different complaints—more about the Patriot Act and civil liberties than gun rights and health care—but they, too, share the concern about big government.



Pew Research Center, January 2013

Minding the Gap

Average Partisan Presidential Approval Ratings



Gallup, January 24, 2013

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