



A Pres. Romney Would Balloon Debt and Joe Six-Pack's Woes

by Big ChuckFollow

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Jeb Bush and Mitch Daniels are saying that Mitt Romney's "slash and burn campaign" has gone on long enough, and that it is time for Romney to tell voters why they should let him govern. Until now, he has hurled catch-all, unsupported charges at President Barack Obama. Willard Romney has not said what he would do to restore the economy to full vigor. In the past, totally negative campaigns have rarely fared well. But 2012 may be an exception. Romney is banking on the "Anyone but Obama" approach because all but 6% of the voters have fixed opinions about the president.¹ It could be that few of that 6% will be turned off by Romney's constant carping, negativity and lies. Maybe they are not incurious about what Romney might do as president.

The impossible promises and the empty, unsupported charges seem to be serving Romney well at a time when there is great angst about having an African American in the White House. No one has yet asked Romney to prove his oft-repeated claim that Obama adopts economic policies he knows will damage the economy. How can a wild claim like that be proven unless one believes Obama is an African socialist who hates the United States? Romney's other absurd claims about Obama making the economy worse have not been seriously challenged. Mr. Romney mixed up his numbers on female unemployment and totally overlooked the sharp cuts in public employment at the state level, 70% of which are in Republican states.

The Romney negativity campaign also relies on the success of the overall Congressional GOP strategy of blocking all stimulus legislation and then denouncing Obama for not accomplishing more. That strategy has even morphed into claims that Obama tried and proposed nothing. Now the GOP is holding up passage of the transportation authorization act because it would create many construction jobs and reduce unemployment. Few question this

cynical strategy even if it is built on the double assertions that stimulating the economy is bad and Obama is to be denounced for not using government to create jobs.

Romney is on record as opposing the two main strategies that have long been used to fight recessions. He now opposes the borrowing of money to spend on stimulus legislation, except if it money to rescue Wall Street. Secondly, he has been very critical of Fed chairman Ben Bernanke, a fellow Republican, because the Fed sought to prevent deflation by putting more money into circulation. Bernanke stayed well below the 2% inflation standard Romney has touted, but the Republican candidate still denounces Bernanke. Of course, a president does not set Fed policy, but the next president can nominate someone less inclined to worry about unemployment and prosperity. Romney seems to be accepting the far-right view that the Fed should only curb inflation.

In his eagerness to win the support of extremists, he pledged to oppose these means of restoring prosperity. Should the economy go sour under Romney, he would have to go along with the Republican deficit hawks and support even more austerity policies. This approach brought a double dip recession to the United Kingdom and 24% unemployment to Spain, and greater devastation to Greece.

The message coming from the Republican Congressional leadership is that we must unlearn the economic lessons of the 1930s and follow the austerity policies deepened our depression in 1929-1932 and are now dominant in most of Europe. What they refuse to tell people is that this path leads to shrinking economies, declining standards of living, greater unemployment, and fractured safety nets.

Romney has proposed keeping all the Bush tax cuts and adding new ones for business, corporations and dividend collectors. He falls back on the long discredited notion that every tax cuts generates more revenue than it eliminates; this view has been called “Voodoo economics.” His plan to slash Dodd-Frank banking controls will make another 2008 financial meltdown all the more likely. Romney proposes dropping all taxes on the foreign earnings of corporations, which will encourage the exporting of even more jobs. He also proposed raising the defense budget to a new record high and also adding 100,000 to the Navy and Air Force. He has not said what spending he will cut, aside from not letting the rich take interest deductions on second homes. Even Christopher A. Preble, vice president of the Republican-supporting Cato Institute, says the Romney spending proposals are an “absurdity” and that “It is logical to conclude that he plans to pile on more debt.”¹

Romney's approach to spending and tax reduction will indeed plunge the nation into far more debt. He has already promised to back the Ryan Budget, which savages Medicaid and puts Medicare on the path to privatization. But even those cuts will not make up for the cost of expanded military or cover the trillions in additional lost revenue due to the many tax cuts he promised. When the Romney deficit is seen, the Republican House deficit hawks will attempt to cover part of it by demanding that Romney the United States down the road to more austerity, a diminished Gross Domestic Product, and more unemployment.

Now, as in 2010, the Republicans have a hidden agenda. In 2010, they promised that they would legislate jobs, jobs, and more jobs. Once in power, they attempted to impose severe austerity. Maybe they sincerely believe this harsh medicine is necessary, but they continue to conceal their motives/ They have shown little interest in jobs and have slashed the funds to train the employed. Now they are engaged in another stealth campaign, refusing to why they want severe austerity and refusing to explain why the extreme pain is necessary. Instead, they demonize Obama, and Romney refuses to depart from a dishonest campaign of negativity and distortions.