

Federal budget cuts may target Mid-Valley

Written by

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WASHINGTON — Increases in federal spending in Marion and Polk counties far exceeded inflation over the past decade, exemplifying some of the budget concerns facing Congress.

What few voters realize, many budget experts contend, is that so-called "out-of-control federal spending" is not so much a Washington, D.C., issue as it is a state and local one, because that's where most U.S. government spending ends up.

Whether it's public transit, college assistance, school funding, food inspection, airline safety, law enforcement, sewer and road construction or policing the environment, "Most people are unaware of how ubiquitous the federal government is in their lives," said Lara Brown, an expert in American politics at Villanova University.

So if people want something done about government spending, they had best prepare for aftershocks close to home, a wide range of voices insist.

"That's an education that needs to take place," said Rep. Kurt Schrader, D-Canby.

According to the Census Bureau's Consolidated Federal Funds Report, categories of federal spending in Marion and Polk counties in fiscal year 2009 (the most recent for which figures were available) included:

-Retirement and disability programs such as Social Security: \$952.43 million for Marion and \$165.44 million for Polk.

-Other direct payments to individuals, including Medicare: \$460.27 million for Marion and \$87.89 million for Polk.

-Direct payments other than for individuals, such as farm subsidies, habitat preservation, rental assistance and flood insurance: \$46.26 million for Marion and \$3 million for Polk.

-Grant payments, such as those for public schools, highway construction, Medicaid, transit assistance, higher education and research: \$2.19 billion for Marion and \$181.31 million for Polk.

-Procurement contracts: \$68.56 million for Marion and \$20.76 million for Polk.

-Salaries and wages: \$190.59 million for Marion and \$15.73 million for Polk.

Total direct federal expenditures in the Marion were \$3.908 billion in 2009, a 154 percent increase from \$1.537 billion in fiscal year 2000.

In Polk, 2009 spending was \$474.14 million in 2009, an 80 percent increase over \$263.43 million in 2000.

With Salem a state capital, however, the Marion County figures include some grants sent first to state agencies and then redistributed to other parts of Oregon. Census officials say they have no way of separating them.

Federal spending statewide for fiscal 2009 was \$33.593 billion, a 102 percent increase since 2000.

Inflation during that span was considerably less, 26.6 percent.

In an era of \$1 trillion-plus annual deficits and a national debt of \$14 trillion, something has got to give, many insist.

"We're in for a stretch of budget cutting in Washington. Americans better get used to it," said Chris Edwards, fiscal analyst at the Cato Institute, a libertarian-conservative think tank.

"I think the public is ready to do it

(sacrifice)," added Maya MacGuineas of The Committee for a Responsible Federal Budget. "The problem is we haven't had the leaders who demand that they do it."

Schrader agrees, saying his constituents stand ready for cuts so long as it's "mutual sacrifice."

He added, "If it's just their program, then yes, they are going to be upset."

But which flavors of federal spending to cut remains an extraordinarily sensitive matter for the president and Congress.

Far too many Americans think bringing the budget into balance requires only targeting foreign aid and the proverbial "waste, fraud and abuse," said Roger Hickey, spokesman for the Campaign for America's Future, a labor-backed research and advocacy organization.

And the timing of cuts is everything, Hickey added, because a lot of economic activity depends on government spending, making

sharp cuts risky so soon after a severe recession.

"Now is not the time to do Draconian cuts," he said. "If they (congressional Republicans) get their way, it will do real harm to the economic recovery."

But others, like conservative spending analyst Brian Riedl of the Heritage Foundation, contend the economy would benefit more from spending reductions that lead to additional tax cuts.

Together, Social Security, Medicare, Medicaid and children's health insurance subsidies make up about 61 percent of federal spending, the parts most consider "essential," said Brown, the Villanova expert.

"And herein is where the difficulty lies. ... Most Americans are not in the defense industry, over 65 years of age, economically disadvantaged or children (who qualify for health care subsidies)," she said.

As a result, parts of the budget often targeted for reductions are those that matter to the most people, increasing the political difficulty.

The conservative Republican Study Committee in the House, for instance, wants \$100 billion in immediate cuts, with areas such as entitlements and defense protected.

Others also think Americans may be ready for the "adult discussion" about federal spending that politicians have long promised.

Kevin Esterling, political science professor at the University of California-Riverside, helped conduct such a discussion with

more than 3,000 people in 19 cities gathered together on a Saturday in June last year. Done in conjunction with Harvard University, it was called "America Speaks: Our Budget, Our Economy."

The project intended to give those at the grass roots a feel for the decisions that Obama's National Commission on Fiscal Responsibility and Reform faced.

Esterling and other project observers found that "when people have a rational discussion" about the nation's budget problems, they are willing to consider meaningful cuts.

"We find the tendency for both liberals and conservatives to moderate their positions to be quite encouraging," they wrote in their report.

On the other hand, considerable polling shows that when the discussion moves away from generalities, Americans are less eager to do away with specific programs.

And while the tea party movement in the Republican Party is all about less government, Brown said, it remains to be seen how those sentiments will hold up if real reductions occur.

Said the Villanova professor, "But then again, rarely do we realize what we have until it is gone."

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