

An Unlikely Friendship, President Obama and Senator Byrd

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After a day of talks at the G-8 summit outside Toronto, the question being asked of President Obama is the same as he gets from some Republicans; “when is enough stimulus spending enough,” especially when the leaders of Britain, Germany and Japan plan to roll back spending programs, even though they haven't produced as many jobs as people had hoped, to slow the rise in the national debt.

In an evening news conference, Canadian Prime Minister Stephen Harper said there was still no consensus on the issue, and the leaders would return to the question on Saturday. It was unlikely there would be consensus, especially with a dozen other leaders joining the talks, when they shift from a lakeside resort to the city of Toronto, later in the afternoon.

Mr. Obama favors continued spending to try and get more people working, under the belief that a rapidly growing economy's the fastest deficit cutter of all. The Canadian economy largely escaped the financial crisis, and Prime Minister Harper has indicated he's not be very sympathetic with the U.S. position, by cheering a British austerity plan that calls for spending cuts and tax hikes.

German chancellor Angela Merkel's planning the biggest budget cuts since World War II, in an effort to save more than \$100 billion over the next four years. She says she expects 'controversial discussions' here, over budget priorities.

Mark Calabria, director of financial regulation studies at The Cato Institute says European countries need to do what's right for them and it may not be following what President Obama preaches as the economic savior. "They have a different fiscal situation than we do and I think they need to deal with that accordingly," Calabria told Fox News. "There's strong evidence that our stimulus bill has not worked. The unemployment rate has only continued to climb so in terms of or own policies, I think [they] should be drawn into question," Calabria said in an interview with White House correspondent Wendell Goler. Republicans have long argued that deficit reduction and not more spending is the key to economic recovery.

British Prime Minister David Cameron's planned one-on-one talks with President Obama Saturday, were already likely to be strained over what some Brits see as U.S. bashing of BP over the oil spill that has hurt the company's stock. It's unlikely there will be a meeting of the minds on stimulus spending.

Meanwhile, it's not all business here. The President and his aides hope to watch some of Saturday's World Cup soccer match featuring the US against Ghana. German Chancellor Merkel and British Prime Minister Cameron say they'll sit down together to watch their teams play each other, Sunday. Cameron says he'll try not to wrestle Merkel to the ground during penalties.