

## Nation Lawmakers Urge New Way to Fix Climbing Deficit

(Dec. 21) — Health care may be dominating the debate in Washington now, but the explosive issue lurking behind the insurance battle is how to confront the soaring federal budget deficit and national debt, which some lawmakers and experts say threaten the fiscal solvency of the country.

The idea gaining the most steam lately is an old Washington favorite: toss the deficit problem to a blue-ribbon commission. A group of lawmakers from both the House and Senate is proposing the creation of a bipartisan panel to come up with policy recommendations to be voted on by Congress.

The budget gap now stands at a record \$1.4 trillion, and it is worsening. The deficit is projected to grow by an eye-popping \$9 trillion over the next decade. The national debt is more than \$12 trillion. The remedies aren't pretty for politicians and taxpayers alike. The consensus view of both lawmakers and outside experts is that the only way to deal with the deficit is a painful and politically toxic combination of tax hikes and spending cuts, most likely to popular entitlement programs such as Social Security, Medicare and Medicaid.

"The problem is Congress is not doing anything. The commission is a way of spurring them to action," said Josh Gordon, policy director of the Concord Coalition, a nonpartisan group pushing for the elimination of federal budget deficits. "In an ideal world, a commission wouldn't be needed."

High-level commissions have been a fixture in Washington for decades, although their record of success has been mixed. A bipartisan panel tackling Social Security reform in the early 1980s was credited with extending the life of the Social Security trust fund. More recently, a commission tasked with selecting military bases to close throughout the country produced results that were signed into law by President George W. Bush. But a commission he chartered on Social Security reform went

nowhere after Congress ignored its proposals.

The clamor for a new commission has grown as deficit hawks have watched the ongoing political polarization in Washington and come to the conclusion that members of Congress are unlikely to reach an agreement on their own to take actions that could be deeply unpopular with their constituents.

Leading the charge on Capitol Hill are Sens. Kent Conrad, D-N.D., and Judd Gregg, R-N.H., who earlier in December introduced a bill that would create an 18-member bipartisan fiscal task force composed of current members of Congress along with the Treasury secretary and one other administration official. The key component of their proposal, advocates say, would be that Congress could neither ignore nor revise the panel's recommendations. The proposals would be fast-tracked through the regular logjam of legislation in Congress and a full up-or-down floor vote would be required. "No filibustering, no amendments," Conrad said in announcing the plan Dec. 9. To ensure that the measures achieved a consensus, a supermajority vote would be needed for passage.

"No one party can or will do this on its own," Conrad said. "Both parties must be invested in the outcome and committed to its success."

The push for a budget panel got a boost this week with an endorsement from former Federal Reserve Chairman Alan Greenspan, who told a congressional committee that a bipartisan commission would be "an excellent idea."

The White House has not signed on to the commission proposal yet, but it may be warming to the idea. Conrad told reporters that he's had numerous conversations with administration officials about a possible commission and that those conversations had become more frequent in recent weeks.

Appearing on CNN's "State of the Union" Sunday, senior economic adviser Lawrence Summers said the administration was listening to proposals. "The president will be open to any approach that offers the prospect of controlling the budget deficit," Summers said.

The commission idea faces a number of obstacles. The Obama administration may want more of a say in the panel than the two-out-of-18 members currently envisioned by the Senate plan. And though a similar bipartisan panel has been broached in the House, Democratic leaders, including Speaker Nancy Pelosi, D-Calif., are said to be leery of completely outsourcing their authority over taxes and spending to a separate task force.

Some conservative economists say the panel would inevitably decide on heavy tax increases rather than deep spending cuts. Democrats "want Republicans to give them political cover to increase taxes," said Daniel Mitchell, a senior fellow at the libertarian Cato Institute. He added that it would be a mistake to populate the commission with "the senior politicians who have spent the last 20 years getting us into the problem we're in."

For President Barack Obama, a major new commission presents its own political quandary: As a senator and candidate, he pooh-poohed the very notion of blue ribbon commissions as Washington's way of passing the buck on a thorny issue. When John McCain proposed creating a commission to study the rapidly unfolding economic crisis, Obama jumped on him. "That's Washington-speak for 'we'll get back to you later,'" then-Senator Obama said. "We don't need a commission to study this crisis, we need a president who will solve it — and that's the kind of president I intend to be."

Supporters of a commission also acknowledge that the process may soften the edges of a host of hard political choices, but

it won't eliminate them. "It's going to be a really heavy lift," said Maya MacGuineas, president of the Center for a Responsible Federal Budget, "and if we don't do anything, we are going to pay a terrible price."

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