

## Obama's claim that military sequester 'will not happen' provokes surprise

*Advisers move to dilute president's remarks after he seemed to suggest he was taking defence spending cuts off the table*

By: Dominic Rushe - October 23<sup>rd</sup>, 2012

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Republicans and Democrats agreed to \$1tn in defence and non-defence spending cuts if a compromise cannot be reached. Photograph: EPA  
President Barack Obama's claims that massive military spending cuts due to kick in next year "will not happen" caught foes and supporters by surprise during Monday's final presidential debate.

Responding to criticism from Mitt Romney that the automatic cuts, known as sequesters and set to start in January, would make America's future "less certain and less secure", Obama said: "First of all, the sequester is not something I proposed, it's something that Congress proposed. It will not happen. The budget that we're talking about is not reducing our military spending. It's maintaining it."

Republicans and Democrats are heading toward a year-end clash over the US's massive deficit and the expiration of Bush-era tax cuts. The two sides agreed to \$1tn in defence and non-defence spending cuts if a compromise cannot be reached.

Both sides oppose the cuts, with Republicans keen to protect military spending and Democrats keen to protect social programmes. But Obama's statement seems to have taken military spending cuts, his biggest bargaining chip, off the table.

After the debate, Obama's team moved to weaken the president's statement. White House senior adviser David Plouffe toned told reporters that "everyone in Washington agrees that sequester 'should not happen.'" Obama's senior campaign adviser David Axelrod told CNN that "plenty of people on both sides" want to a balanced deal.

Defence firms including Lockheed and Boeing have already begun laying off workers ahead of expected cuts. Trade lobby group the National Association of Manufacturers to the Aerospace Industries Association has warned 1m jobs could be lost, although dire predictions of imminent layoffs have been questioned by Center for Strategic and Budgetary Assessments.

To date, Obama's strategy has been to hold up the cuts as a threat as he tries to get Republicans to agree to tax hikes. But Tad DeHaven, a budget analyst at the Cato

Institute, said he was not surprised that Obama was backing away from cuts as the election nears.

"The tighter this race has gotten, the more both these guys have run away from cuts. This was a bipartisan agreement, but ever since these cuts became a possibility, Republicans and Democrats have been backing away from them."

DeHaven said that in the long term, taking the cuts off the table would not hamper Obama's negotiations, assuming he is re-elected. "If Obama is re-elected, he can come back and say there will be no defence cuts, but he has the mandate to increase taxes on higher earners," he said.