

Democrats Committed to Comprehensive Agreement to Reduce the Deficit, Pay America's Bills

This week, Republicans backed away from negotiating a larger, comprehensive agreement to reduce the deficit and ensure America pays its bills. Instead, Republicans are choosing less deficit reduction, despite the fact that they argue deficit reduction is critical to boosting the economy and creating jobs and identified it as a top priority in their Pledge to America:

“We will curb Washington’s spending habits and promote job creation, bring down the deficit, and build long-term fiscal stability.”

Republicans have acknowledged that addressing our fiscal challenges will require tough choices and bipartisanship:

Before taking the majority in January, Budget Committee Chairman Ryan called on both parties to work together to restore fiscal responsibility: *“Our government is setting itself up for yet another panic with painful economic consequences for all Americans... Both parties share the blame for our current mess, and both parties must work together to restore trust in Washington.”* [[12/28/11](#)]

And in Speaker Boehner’s speech to the opening session of the 112th Congress, he called on Congress to address the serious challenges confronting our country:

“Hard work and tough decisions will be required of the 112th Congress. No longer can we fall short. No longer can we kick the can down the road.”

[[01/05/11](#)]

But as Republicans back away from the tough choices we have to make in order to seriously address our deficits, its clear their actions don’t match their rhetoric. Now that there’s a real opportunity to do something big to reduce the deficit, Republicans instead are walking away and showing that their adherence to low taxes for the wealthiest Americans is more important than bringing down the debt.

“Cantor (R-Va.) thinks the way to win this haggling session — one of Washington’s most important in years — is by walking out of it”[Washington Post, [07/11/11](#)]

“The party claims, as an article of faith, if not evidence, that the government’s growing debt is the reason for persistent unemployment and economic stagnation. And yet Republicans are spurning the president’s compromise offers to reduce that debt by trillions over the next decade because he is sensibly insisting that any deal include some increase in tax revenue... The holdup, of course, is that

Republicans are far more committed to the ideological goals of cutting government and taxes than they are committed to cutting the deficit. They rejected several compromise offers by the White House, even though any revenue increases would be far outweighed by spending cuts.” [NY Times Editorial, [07/11/11](#)]

“But the division in the Republican caucus among those who recognize the importance of the opportunity they have been offered and those who can't see past the anti-tax dogma of the conservative base is scuttling the whole effort. Republicans are giving ample evidence that concern about the size of the federal debt that they have stoked over the last few years was empty rhetoric and that they put ideological purity over the good of the country.” [Baltimore Sun Editorial, [07/11/11](#)]

“Six months ago, how many Republicans would have believed: 1) that the Obama White House would have backed a plan to reduce the deficit by \$4 trillion over the next 10 years; 2) that the president would agree to link the debt limit to spending cuts; and 3) that Obama would put Medicare and Social Security on the table? The Tea Party and deficit hawks like Jim DeMint would have won the argument when it comes to debt, and they would have achieved something -- especially on Medicare and Social Security -- they'd probably never get under a Republican president, unless he or she had a filibuster-proof majority in the Senate. But Republicans walked away from the deal, because they wouldn't give up the one thing that Democrats were asking for in return: any increases in tax hikes for the rich” [MSNBC, [07/11/11](#)]

Republicans are backing away from a larger agreement just as business groups—including the U.S. Chamber of Commerce, the National Association for Manufacturers, Business Roundtable and Financial Services Forum—are calling on Congress and the White House to reach a comprehensive deal to reduce the deficit, ensure America pays its bills and avoid the catastrophic consequences of default.

“Our political leaders must agree to a plan to substantially reduce our long-term budget deficits with a goal of at least stabilizing our nation's debt as a percentage of GDP - which will entail difficult choices. The resulting plan must be long-term, predictable and binding.” [07/12/11]

Democrats are ready and willing to work with Republicans on a balanced agreement that includes both revenues and spending cuts. It's time for Republicans to seize this opportunity to seriously address our fiscal challenges in a bipartisan way and give business and the markets certainty.