

Another Blue Ribbon Panel On the Deficit

Michael Sean Winters | Nov. 17, 2010 Distinctly Catholic

I am simultaneously suspicious of, but recognize the necessity for, blue ribbon, bi-partisan panels to address some of our nation's most complicated issues.

This morning, [in an op-ed](#) [1], Clinton economic guru Alice Rivlin and former GOP Senator Pete Domenici, announce their proposals for reducing the debt and deficit.

My resistance to blue ribbon commissions stems from their inherently anti-democratic premise. After all, we elect Congress and the President to solve these problems. But, given the current polarization in the country and especially in its political class, I see the need for those like Rivlin and Domenici to reach, and propose, the kind of common ground that could cost a member of Congress a primary election.

The most important, and intriguing suggestion in this new proposal is the idea of a payroll tax holiday for 2011. Indeed, one of the best things about their analysis is that Rivlin and Domenici recognize the difference between short-term and long-term economic challenges. The best way to improve the long-term deficit picture is to get the economy moving again now. Yes, forswearing revenue for the Social Security trust fund will temporarily make that trust fund less solvent, not more, but getting the economy moving again will reap benefits down the road that will replenish those funds.

This payroll tax holiday should be offset, however, by the one thing absent from this proposal: raising the retirement age. We humans are living longer than our forebears did when the Social Security system was enacted in 1935. I do not see why we can not phase in a two-year increase as they did in France, with the phase-in beginning only when those currently under age 20 reach the retirement age.

All of these proposals have some good ideas and some bad ones, but if the President and the incoming GOP majority in the House are looking for ways to work together to help the long-term fiscal health of the nation, this report is not a bad starting place.

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[1] <http://www.washingtonpost.com/wp-dyn/content/article/2010/11/16/AR2010111605032.html>