

The USCCB Report on the Budget Deal

Michael Sean Winters | Aug. 5, 2011 | Distinctly Catholic

[The USCCB has issued its report](#) [1] on the recently concluded debt ceiling and budget negotiations. The document does not mince words, opening with this verdict: "This debate demonstrated the partisan, ideological, and dysfunctional polarization that dominates Washington. It wasn't pretty, and it isn't over. While the crisis of default was averted, for advocates of poor and vulnerable people, this debate was disappointing, ominous, and just a beginning."

The USCCB report indicates the threat to programs that directly help the poor, both at home and abroad. It notes: "Fears of cuts to poverty-focused international development and humanitarian assistance are well founded. The House Committee on Appropriations already proposed cutting these programs in Fiscal Year 2012 by a disproportionate 20% in addition to the 8% cut last year. The bishops and CRS have called these deadly cuts unwise, unjust, and unnecessary." The adverb "deadly" is exact: these proposed cuts are anti-life, gutting programs which, at minimal cost, prevent deadly diseases like malaria.

The lack of any "shared sacrifice" within the budget deal also comes in for criticism from the USCCB report. The report cites a recent letter from the bishops to members of Congress: "A just framework for future budgets cannot rely on disproportionate cuts in essential services to poor persons. It requires shared sacrifice by all, including raising adequate revenues, eliminating unnecessary military and other spending, and addressing the long-term costs of health insurance and retirement programs fairly." They note that there are no new revenues in the budget deal, just cuts. So, the poor, at home and abroad, are threatened, while the historically low tax rates of the rich are off the table.

[In this morning's Washington Post](#) [2], Michael Gerson, a former speechwriter for President George W. Bush, compares the bishops' efforts, joined with those of other religion leaders, to form a "Circle of Protection" around programs that assist the poor with the efforts of a group, Christians for a Sustainable Economy (CASE), to back the economic agenda of the GOP. Their statement claims: "We believe the poor of this generation and generations to come are best served by policies that promote economic freedom and growth."

Gerson writes that "Faith does not dictate specific policies, which are properly determined by the prudent assessment of likely outcomes." This allows for too great of a divide between faith and prudence. It is especially the case that the USCCB, which helps administer programs that help the poor through its Catholic Campaign for Human Development, knows something about prudential judgment in these matters. They know that some programs can be improved, but they also know, from experience, not from citing Scripture, that some programs do manifestly help the poor.

Gerson argues that the CASE statement overreaches when it says that the call to compassion is "best fulfilled through Christian charity and spiritual counseling, not government programs." Gerson rightly dismisses this claim as "dangerously oblivious to the real world." Catholics Charities USA spends a little more than \$4 billion per year, an impressive amount to be sure, but nothing like the amount needed. "The scale of private efforts is not sufficient to meet the demands of public justice" which gives government an important role," Gerson concludes.

But, there is a different difficulty in comparing the bishops' "Circle of Protection" and the CASE approach, one that escapes Gerson's otherwise discerning eye. He allows that "the Circle's approach is more urgent" but he fails to note that the Circle's approach is rooted in centuries of social justice teaching applied to the circumstances of today. The CASE approach evidences a different orthodoxy, an economic orthodoxy rooted in the specifically anti-Christian teachings of the Austrian school of economics and its American cheerleaders like Ayn Rand and Murray Rothbard. When CASE makes claims about promoting "economic freedom and growth," they are not appealing to a particular verse of Scripture, are they?

Of course, lifting the poor into the middle class would be a very good thing, and it is also true that economic growth help achieve such a lift. But, two problems remain. First, during an economic downturn, allowing more "economic freedom" in the form of fewer regulations and lower taxes can actually impede growth. Unless I am mistaken, the current economic downturn is rooted precisely in the lack of regulation and oversight of the financial and real estate markets. And, if lower taxes was the undeniable, only orthodox way to promote economic growth, why have the poor gotten poorer these past eleven years that the Bush tax cuts have been in place? Conservatives decry Keynesianism "Rush Limbaugh did so yesterday, warning it can bring on socialism or fascism" when in fact, in American history, Keynesianism helped lift America out of the Great Depression. Conservatives attack President Obama's stimulus bill as "failed" (conveniently forgetting that much of the stimulus came in the form of tax cuts) but in fact, it is now apparent the stimulus did not go far enough. This year, one of the drags on the economy is the retrenchment of government spending as that stimulus winds down. Government spending during an economic downturn functions like a ventilator for a patient who has been through a horrible trauma: You help the body to breathe so that it can recover. In the current economy, corporations are posting record profits. They have mountains of cash on hand. But, until they start hiring, the poor will not have any access to the benefits of "economic freedom and growth."

The other problem with the CASE approach is that a rising economic tide does not float all boats, just some boats. Some people will still be poor, even when the economy is booming, and as Christians, they still have a claim on our compassion and our resources. Catholics are not called upon to help the "deserving poor." We are called to help the poor, period. In a complex society, government programs are one of the principal means of providing such help. Yes, the budget deficits stretching into the future raise troubling moral issues about inter-generational responsibility. But, raising taxes on the wealthy is the obvious way to both sustain programs that assist the poor and help address our moral responsibility not to leave our children with mountains of debt.

Source URL (retrieved on 07/25/2017 - 09:57): <https://www.ncronline.org/blogs/distinctly-catholic/usccb-report-budget-deal>

Links:

[1] <http://new.usccb.org/issues-and-action/human-life-and-dignity/economy/upload/Report-on-the-Debt-Ceiling-Debate-2011-08-03.pdf>

[2] http://www.washingtonpost.com/opinions/two-parties-pray-to-the-same-god-but-different-economists/2011/08/04/gIQAdJ86uI_story.html