



Written by [Bob Adelman](#) on February 2, 2015

## Obama Budget Proposal Designed to “Challenge” Republican Congress

On the day after Super Bowl Sunday, President Obama, knowing that an offensive strategy most likely wins the game while a purely defensive strategy guarantees losing it, is challenging the new Republican-controlled Congress with his [offensive](#) 2016 budget proposal starting October 1. He is daring them to play defense without appearing to favor the ultra-rich, so-called trust-fund babies, and corporations parking billions in earnings abroad to avoid high rates of corporate taxation here.



Besides, in a preview of this strategy on Saturday during his radio address, the president said he thinks the country can afford it. His \$4 trillion budget would exceed the sequester caps installed three years ago by a paltry \$74 billion, and it would be justified not only by an economy that is slowly recovering and temporarily lowering deficits but also by the increased ISIS threats and crumbling infrastructure.

In addition, it would help the middle class, claimed the president:

We'll help working families' paychecks go farther by treating things like paid leave and child care like the economic priorities that they are. We'll offer Americans of every age the chance to upgrade their skills so they can earn higher wages, with plans like making two years of community college free for every responsible student.

And we'll keep building the world's most attractive economy for high-wage jobs, with new investments in research, infrastructure, manufacturing, and expanded access to faster internet and new markets....

[Besides,] we've cut our deficits by two-thirds.

Of course, the president has done no such thing. The economy has managed to recover somewhat over the past six years not because of government meddling and stifling regulation, but in spite of it. And the government has no money of its own — only what it's able to extract from taxpayers to give to people who didn't earn it.

His retreat on the 529 college savings accounts — thanks to pushback not only from Republicans but his own party as well — perfectly illustrates his redistributionist/progressive mindset. The 529 college savings accounts are used by millions of middle-class families to save money for their children's college education. They are popular because as long as the money that is withdrawn from them is used for education, it is not taxed. Obama wanted to tax the withdrawals as regular income, claiming that the savings plans are merely an unfair advantage for the rich who would be able to save for college educations anyway. By taxing the withdrawals, middle-class people's reported income would then also rise, stopping many of their children from obtaining financial aid to help pick up some of the college tab.



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Instead of limiting those plans, Republicans want to expand them. The money in those plans has been put there by the people who earned it, and so they should be able to use it, asserted Representative Lynn Jenkins (R-Kan.):

[Obama's plan] was a terribly misguided idea, but it took a public outcry for the president to realize it....

We [should instead] empower students to use [their own] money to pay for computers and make it easier for families to send their kids to the college of their choice.... We should be rewarding people who work hard and play by the rules — not by punishing them.

Even the *Washington Post* saw through the smokescreen by acknowledging the revelation from the *Wall Street Journal* that U.S. households with average incomes (between \$49,000 and \$84,000) would actually suffer a tax increase under Obama's proposed budget.

What will likely be glossed over today when the president officially presents his budget proposal is that those deficits that have temporarily declined will move higher — likely much higher — and, over the next 10 years add an estimated \$6 trillion to the \$18 trillion already hanging over the U.S. taxpayer. At no point in his presentation will the word “balance” — as in “balance the budget” — appear. Instead, those watching and listening will hear about “crumbling infrastructure,” the “trust fund loophole,” and corporations “hiding” their earnings offshore to keep them away from the IRS.

To his credit, Representative Paul Ryan (R-Wis.) called the president out after his radio broadcast on Saturday, declaring, “We're six years into the Obama economic policies, and he's proposing more of the same: more tax increases that kill investment and jobs ... policies which are hardly aspirational.”

So intransigent has been the president in the past that Ryan sees little chance for progress on deficits and runaway spending on entitlements taking place over the next two years:

It's hard to imagine the president ... going to work with Congress on entitlement reform. He's been stifling it all along.

I see that as an issue that's going to require a new president.

The new Congress will have its hands full just addressing issues left over from the previous Congress. On February 27, funding for the Department of Homeland Security ends unless Congress continues it. This was part of the \$1.1-trillion spending bill last year's lame-duck Congress passed, extending government spending on everything except the DHS.

On March 15 the unlimited credit card the government has been using will be taken away unless it also is extended. At that moment there will be a paper “debt ceiling” reinstated unless Congress decides otherwise. Pressure is already building among some Republicans to trade a debt ceiling increase for some spending cuts, but skeptics are quick to point out how that worked the last time.

And then there are the continuing debates over ObamaCare, tax reform, and changes to energy policy.

All the president is proposing is progressivism in action: Take from the rich and give it to the poor, with the government's handling charge imposed along the way.

Little in his proposals will see the light of day in the Republican-controlled Congress unless the GOP “leadership” decides to continue to play defense, just waiting for the next presumably less radical president to move into the White House in 2017.



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