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Balance needed to reduce debt

BY WENDY PATTON

The past decade has been tough on Ohio. Wages for the typical worker dropped more here than in any other state. Our unemployment rate rose in August for the third straight month, to 9.1 percent.

As the economy falters, budget cuts threaten to keep us in a slump. The new state budget slashes public services that support communities and provide for vulnerable Ohioans.

Debt-reduction talks at the federal level could make things much worse, immediately and well into the future, without a balanced approach to long-term fiscal problems.

Public services underpin strong communities. From safeguarding food, ensuring clean water, and maintaining roads to supporting a strong education system to move the nation forward, the public sector has been a pillar of individual opportunity and shared prosperity.

But support for essential services is eroding. Facing a fiscal shortfall, state elected officials have cut \$1.8 billion from our public schools over the next two years. A billion dollars in cuts to local government will reduce services for children and elderly and disabled Ohioans.

Now Washington is starting to wield the budget-cutting sword. In exchange for raising the debt ceiling, Congress plans to slice nearly \$1 trillion from the federal budget over the next decade. That will reduce funding of programs that affect nearly every segment of our society.

This fall, a "super-committee" of 12 lawmakers, including Ohio Sen. Rob Portman, is tasked with cutting another \$1.5 billion in federal debt over 10 years.

As a former director of the Office of Management and Budget, Senator Portman has deep knowledge of the federal budget. As a lifelong Ohioan, he has seen the struggle that so many families face in the continuing economic downturn.

That is why Senator Portman should understand the critical importance of a balanced approach to federal deficit reduction. Committee members should balance spending cuts with revenues, to ensure that resources are available to meet core commitments and make vital investments in our future.

The budget panel could meet its deficit-reduction target without raising revenue only by making deep spending cuts on top of the nearly \$1 trillion in cuts they already must enact. This could include massive cuts in Medicare, Medicaid, and other key programs that provide vital support to millions of Ohioans.

A failure to include substantial revenues would place virtually the entire burden of deficit reduction on ordinary Americans. This would worsen poverty and inequality, and increase the burden on working families to make ends meet.

It would also make our state budget situation even worse. Ohio gets billions of dollars each year from the federal government to help educate our children, maintain our prisons, and provide health care to millions of our residents. Federal budget cuts will have a significant impact on our citizens, who are already feeling the sting of severe state cuts.

The committee should not undercut services to seniors that have lifted them out of poverty. Social Security should not be cut. Access to good-quality health care for elderly Americans should not be compromised.

The super-committee's proposal should do no harm. It should not deepen poverty or increase inequality for Americans of any age. And it should not further impoverish the public institutions -- from transportation to roads to schools to universities -- that created our nation's prosperity.

America's best days do not need to be behind us. Between 1979 and 2008, total U.S. income grew enough to amount to a \$10,401 boost for each American.

But in stark contrast to earlier decades, every penny of that growth went to the richest 10 percent of Americans. Income for the bottom 90 percent actually fell.

Yet we've been slashing taxes for these top few, even though they owe their wealth in no small part to the strong society our forebears worked hard to set up. At the same time, we've been neglecting our infrastructure, clinging to an outdated approach to energy, closing economic on-ramps to the middle class, and weakening our safety net.

It's time to reinvest in an America where everyone contributes and everyone benefits.

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