

Blame 'em both

by The San Diego Union-Tribune

After still more bad news about the economy, President Bush and leading Democrats began playing the blame game with particular vigor last week. We say fie on both sides, for there is enormous blame to go around.

The Bush administration's bizarrely lax regulation of the financial industry led directly to the housing/subprime bubble. The Securities and Exchange Commission was indifferent to the folly of issuing home loans without income verification - and to the further folly of packaging these dubious loans as securities. Democrats' opposition to new oil exploration has led directly to high gasoline prices. Small incremental increases in supply - such as those that would have been yielded by drilling in a tiny slice of the remote, never-visited Arctic National Wildlife Reserve - often yield sharply lower prices.

The president's betrayal of traditional Republican fiscal conservatism - especially because it occurred as we are fighting two expensive wars - has led to massive borrowing and an enormous increase in the national debt.

Democrats' demagoguery over free trade and globalization and their bogus claims that we can readily return to the old days of high-paying blue-collar jobs hurts both the current economy and long-term U.S. competitiveness.

Both parties' complicity in the crazy decision to use crops as fuel has contributed to food shortages and inflation without recent historical precedent. Given this backdrop of bipartisan incompetence, no wonder the public is so gloomy and anxious. Until now, millions of Americans have never dealt with the inflation that we used to see periodically until the early 1980s. Millions of Americans hold jobs in fickle industries that they fear could disappear overnight. Nevertheless, it is important to recognize that the U.S. economy still has great strengths. For all the grim headlines, the fact is the economy grew during the first three months of this year - meaning, officially at least, that we are not in recession. Many key U.S. industries remain healthy and vital, including in information technology, entertainment, biotech, financial services, defense and aviation. Exports are sky-high.

It is also important to understand that America still to a great degree controls its own fate. There are specific ways our leaders can help us rebound. A national emphasis on preserving and extending U.S. scientific and technological superiority is essential for both our economic and national security. A more sober, less partisan approach to the budget and trade issues would pay immediate dividends. So would a radically different approach to agriculture - one that ends subsidies to wealthy farmers and pulls back from our present official embrace of "biofuels."

Someday, when everyone has had their fill of the sideshows, perhaps the presidential campaign will begin to focus on such substantive issues. Given the enormous stakes, the sooner this happens, the better.

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