A holy cow! budget

by The Milwaukee Journal Sentinel

Viewed in its parts, there is much to recommend President Barack Obama's audacious $3.6 trillion budget proposal. But as a whole ... a whole lot of spending.

Congress must pare the cost while preserving the essential elements. And there is much in the package that should be considered vital for redirecting a nation that has been way short on innovation and too stingy with investment in key areas. Energy, education, transportation and health care top those areas. Obama's budget is appropriately ambitious in all of them.

But there is that bottom-line cost, which must be viewed in light of a deficit that likely will be more stubborn than Obama's projections indicate.

And it is not at all encouraging that the president apparently has agreed to sign a separate $410 billion spending bill that contains an estimated $7.7 billion in earmarks. The same politics that compel Obama to sign this bill â€” keeping ruling Democrats happy â€” still will be present when it comes to signing off on future spending.

Legislation introduced Wednesday could solve this. Sens. Russ Feingold, D-Wis., and John McCain, R-Ariz., and Rep. Paul Ryan, R-Wis., are proposing what amounts to a presidential line-item veto. Congress should approve it.

The GOP has instantly jumped on Obama's proposed budget. It allegedly represents class warfare because it taxes at a higher rate households earning $250,000 or more. But it is not unreasonable to expect the wealthiest among us, after years of relief, to pay a higher percentage of incomes while those below are struggling to make ends meet. In any case, this wouldn't start until 2011.

Other parts should be more palatable. Key in Obama's education proposal is a reinvigorated Pell Grant program targeting families earning less than $30,000.

In health care, he would trim Medicare and Medicaid growth to create a $634 billion fund over 10 years to expand health insurance. He bills it as a "down payment" on universal care. We await the details of what this will look like.

On energy, there will be a $15 billion investment starting in 2012 in clean energy, paid for by a cap-and-trade

system in which companies have to pay to emit the gases that contribute to global warming. Congress should consider whether a more direct tax is preferable, but one immediate concern is whether 2012 is too late. On the whole, Obama starts to steer the nation away from fossil fuels.

And this proposal properly starts putting the brakes to farm subsidies, halting the payments for the biggest operations.

Ambitious? Yes. But Obama did not run on a platform of timidity. He promised change and bold action. He won. And in this there is a guide for Congress.

Popularity doesn't give him carte blanche, but it does offer something of a road map.
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