



Obama & House Republicans go mano-a-mano in search of 'common ground'

By Jon H. Harsch

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Washington, Jan. 29 – In a free-wheeling dialogue which included sharp policy disagreements, President Obama spent an hour and a half Friday at the House Republican conference in Baltimore covering issues ranging from healthcare reform, taxes and the federal budget to new free trade agreements and the lack of bipartisanship.

House Republican Leader John Boehner (R-OH) kicked off the discussion by presenting the President with a copy of the Republicans' "Better Solutions" proposals covering areas such as jobs, energy, healthcare and fiscal policy. (For a copy of the 30-page booklet, go to: www.gop.gov/solutions/.) After the President left, Boehner concluded that "the dialogue went very well . . . We are not always going to agree, but I think it did become clear in the conversation today with the President that there are issues and items that we do agree upon." He said the secret may lie in tackling not "2,000 page bills" but instead smaller bills so that "we will be able to find that more common ground and find ways to work together."

In his initial remarks, Obama expanded on the call for more bipartisanship which he'd stressed in his State of the Union address on Wednesday. He said the American people "didn't send us to Washington to fight each other in some sort of political steel-cage match to see who comes out alive. That's not what they want. They sent us to Washington to work together, to get things done, and to solve the problems that they're grappling with every single day."

Noting that bipartisanship has worked well in the past, Obama said he doesn't understand why Republicans in the current Congress have opposed proposals which he'd expected Republicans to support – such as "badly needed tax cuts for the American people, or COBRA coverage to help Americans who've lost jobs in this recession to keep the health insurance that they desperately needed, or . . . putting Americans to work laying broadband and rebuilding roads and bridges and breaking ground on new construction projects."

Obama called on both Democrats and Republicans "to do what's right for our country, even if it's not always what's best for our politics. . . Our future shouldn't be shaped by

what's best for our politics; our politics should be shaped by what's best for our future." He said he's disappointed that instead, "we've seen party-line votes." Hoping to avoid another solid line-up of Republican opposition to his proposed jobs bill, Obama said "I want to eliminate the capital gains tax for small business investment, and take some of the bailout money the Wall Street banks have returned and use it to help community banks start lending to small businesses again. So join me. I am confident that we can do this together for the American people. And there's nothing in that proposal that runs contrary to the ideological predispositions of this caucus."

Welcoming yesterday's successful bipartisan Senate vote on pay-go, Obama said that "the budget surpluses of the '90s occurred in part because of the pay-as-you-go law, which said that, well, you should pay as you go and live within our means, just like families do every day. Twenty-four of you voted for that, and I appreciate it. And we were able to pass it in the Senate yesterday." But he warned that "If there's uniform opposition because the Republican caucus doesn't get 100 percent or 80 percent of what you want, then it's going to be hard to get a deal done. That's because that's not how democracy works."

Following his opening remarks, Obama fielded often tough questions from eight House members. Rep. Mike Pence (R-IN) said that the Republicans' "across-the-board tax relief" alternative to the administration's "so-called" stimulus bill "would have created twice the jobs at half the cost." He then asked if Obama would support "the kind of across-the-board tax relief that Republicans have advocated, that President Kennedy advocated, that President Reagan advocated and that has always been the means of stimulating broad-based economic growth?"

In a lengthy response, Obama first explained that the stimulus package was made up of just what Republicans could have been expected to support. "This notion that this was a radical package is just not true," he said. He added that a third of the package was made up of "tax cuts, and they weren't . . . 'boutique' tax cuts, Mike. 95 percent of working Americans got tax cuts, small businesses got tax cuts, large businesses got help in terms of their depreciation schedules. I mean, it was a pretty conventional list of tax cuts. A third of it was stabilizing state budgets. . . And then the last portion of it was infrastructure which, as I said, a lot of you have gone to appear at ribbon-cuttings for the same projects that you voted against."

When Pence repeated his question about an across-the-board tax cut a second time, Obama said that while he will consider any Republican proposals, he "may not agree" to "greater tax cuts for people who are making a billion dollars" like Warren Buffet or "an across-the-board tax cut for the banking industry."

Responding to Rep. Paul Ryan (R-WI), Obama agreed that he would love a line-item veto and he'd love more support for getting rid of earmarks which he noted are "not unique to one party." When Rep. Shelley Moore Capito (R-WV) complained about "job-killing policies" including "cap and trade, an aggressive EPA, and the looming prospect of higher taxes," Obama said he's been a big promoter of clean coal, nuclear power and increased oil and gas production as "part of our energy mix." He said the future must include "cleaner forms of energy" so that the U.S. remains a world leader.

On the contentious healthcare issue, Obama pointed out to several questioners that despite some last-minute close-door sessions, the healthcare debate over a period of months included “countless” televised hearings – and that the final healthcare legislation in both the House and Senate incorporated many Republicans proposals.

Answering Republican charges that the real partisanship problem is that they’ve deliberately been left out of the legislative process, Obama said “I’m not suggesting that we’re going to agree on everything, whether it’s on healthcare or energy or what have you, but if the way these issues are being presented by the Republicans is that this is some wild-eyed plot to impose huge government in every aspect of our lives, what happens is you guys then don’t have a lot of room to negotiate with me. I mean, the fact of the matter is, is that many of you, if you voted with the administration on something, are politically vulnerable in your own base, in your own party. You’ve given yourselves very little room to work in a bipartisan fashion because what you’ve been telling your constituents is, this guy is doing all kinds of crazy stuff that’s going to destroy America.”

Rep. Tom Price (R-GA) insistently returned to the issue of healthcare, saying that the Republican healthcare proposal would solve every healthcare issue “without raising taxes by a penny.” Obama responded that “if you say, ‘We can offer coverage for all Americans, and it won’t cost a penny,’ that’s just not true. You can’t structure a bill where suddenly 30 million people have coverage, and it costs nothing. . . That’s great politics, it’s just not true.”

Rep. Peter Roskam (R-IL) asked Obama about the stalled free trade agreements with Panama, Colombia and South Korea, calling the FTAs “no-cost job creation.” Obama responded that the delay relates to “fissures within the Democratic party” – but also within the Republican party. He said he’s hoping “that we can move forward with some of these trade agreements” – but that this depends on pursuing “an enforcement mechanism” to build public confidence “that trade is going to be reciprocal, that it’s not just going to be a one-way street.”

In response to Rep. Jeb Hensarling (R-TX) who charged that “the old annual deficits under Republicans have now become the monthly deficits under Democrats,” Obama first said called the congressman’s question “an example of how it’s very hard to have the kind of bipartisan work that we’re going to do, because the whole question was structured as a talking point for running a campaign.” Then he cited a string of figures, concluding that “when you say that suddenly I’ve got . . . a monthly deficit that’s higher than the annual deficit left by the Republicans, that’s factually just not true, and you know it’s not true. And what is true is that we came in already with a \$1.3 trillion deficit before I had passed any law. What is true is we came in with \$8 trillion worth of debt over the next decade, had nothing to do with anything that we had done. It had to do with the fact that in 2000 when there was a budget surplus of \$200 billion, you had a Republican administration and a Republican Congress, and we had two tax cuts that weren’t paid for. You had a prescription drug plan, the biggest entitlement plan, by the way, in several decades, that was passed without it being paid for. You had two wars that were done through supplementals.”

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