



Debt-limit Negotiations: A Game of Chicken Over Chicken Feed

On his heels was the only other Republican involved in the negotiations, Sen. Jon Kyl (R-Ariz.). On Monday, the President has planned a meeting with Boehner, Senate Majority Leader Harry Reid (D-Nev.), and Senate Minority Leader Mitch McConnell (R-Ky.) to continue the negotiations.



It's the political game called compromise, best played by skilled operators who have their own agendas at stake. With the clock running on the date that Treasury Secretary Timothy Geithner says he'll run out of money, August 2, it is turning into a classic game of chicken.

The goal from the beginning was to raise the debt ceiling by at least another \$2 trillion in exchange for up to \$4 trillion in reduced spending over the next 10 to 12 years. The Democrats insist that increased taxes must be part of the deal, while Republicans insist that all the reductions come from the government spending side alone. During the last seven weeks, Vice President Joe Biden presided over negotiations, and the discussion concentrated on minor cuts that both sides could agree to, including cutting farm subsidies and student loans. But when the discussion turned toward raising taxes on the wealthy ("recapturing tax expenditures" in the new nomenclature of Washington), Cantor and Kyl bailed.

Part of the game involves raising the volume of rhetoric. Upon learning that negotiations had broken down, McConnell immediately issued a press release: "The president needs to decide between his goal of massive tax hikes, and a bipartisan plan to address our deficit. But he can't have both." McConnell showed his hand as a Republican statist when he added that Republicans want to cut spending and "*save our entitlements and our country from bankruptcy*" in exchange for his vote to raise the debt limit. [Emphasis added.] House Speaker Boehner also was [adamant](#): "Let me be clear: tax hikes are off the table." He said that the House would never raise the debt ceiling unless there are spending cuts larger than the debt ceiling increase, the plan does not include any tax hikes, and makes "budget reforms." He added:

These are the realities of the situation. If the president and his allies want the debt limit increased, it is only going to happen via a measure that meets these tests. If the president puts forth such a proposal, he has my word that the House will act on it.

If it were up to Boehner alone, many are persuaded that he would be the first to give way to the President in this game of chicken. In fact, ForAmerica, a conservative activist group that is concerned about Boehner's backbone, has put together a video that can be seen [here](#) which notes that "chickens tend to flock together, often following each other without a real sense of direction." The narrator continues:



Written by [Bob Adelman](#) on June 27, 2011

Many chickens tend to find their homes in Washington, DC [Boehner has served in the House since 1991]. But Americans don't want to be led by chickens. Speaker Boehner, Leader McConnell, all congressional Republicans, conservatives in this country didn't elect you to chicken out on the debt ceiling.

The video is going out to 1.5 million supporters with the hope that Boehner will remember the pledge he and 287 other lawmakers signed not to raise taxes. [Grover Norquist](#) invented the pledge, and likens it to a brand identification like Coca-Cola, built on "quality control" so that voters know they will get "[the same thing every time.](#)"

The rhetoric from across the aisle is also heating up. Vice President Biden stated in a fundraising letter, which went out immediately after Cantor and Kyl departed, that the two Republicans left because they "aren't willing to budge on ending tax breaks for millionaires and billionaires." He added:

The only way to make sure we begin to live within our means is by coming together behind a balanced approach that finds real savings across the budget — including domestic spending, defense spending, mandatory spending, and *loopholes in the tax code*. [Emphasis added.] We all need to make sacrifices, and that includes the most fortunate among us.

Rep. Chris Van Hollen (D-Md.), who represented the Democrats during the now-terminated negotiations, added, "It's unfortunate that House Republicans walked away from the table in order to protect special-interest tax breaks for big oil companies and corporate jets and other special interests with powerful Washington lobbyists." Harry Reid added, "If they don't work to cooperate to get something done, the harm for this country and the world will be very significant. And that's on their conscience."

Three points need to be made about this game of chicken. First, the government is not about to run out of money if the debt ceiling isn't raised by August 2. The revenue stream of taxes to the Treasury is about \$200 billion a month. Debt service on the present national debt is about \$20 billion a month. The only way the Treasury would default on any of its obligations would be if Treasury Secretary Timothy Geithner refused to make those payments. Second, the federal budget is approaching \$4 trillion a year. Assuming no increase (a very conservative assumption!) in government spending, in 10 years the government will have spent \$40 trillion. In 12 years it will have spent nearly \$50 trillion. Even if the negotiations that are taking place at the highest levels of the government succeed in trimming \$4 trillion from spending over that period, it can safely be characterized as only *chicken feed*.

The biggest danger of all this conversation about negotiating over the debt ceiling increase is that the most important issue is successfully being hidden from public view: the proper role of government. Nowhere in any of the news reports of Cantor and Kyle leaving the negotiations, or Boehner's or McConnell's or Reid's or Obama's comments, can be found *any reference whatsoever* of the proper role of government according to the Constitution. If those constitutional limitations were understood and were adhered to, all this discussion of a debt ceiling increase wouldn't even be taking place. That's the real game of chicken: misdirection and distraction from the most critical issue facing the Republic.

Photo of Eric Cantor: AP Images



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