



Nancy Pelosi's New Deal

by Patrick J. Buchanan ([more by this author](#))

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"You never want a serious crisis to go to waste," sayeth Rahm.

Opportunistic and cynical, yes. But also savvy political counsel that transformational presidents have always followed.

FDR exploited the Depression to launch his New Deal, bring an end to a Republican hegemony of seven decades and make Democrats the majority party, until Richard Nixon picked the lock.

While the debate is endless over whether the New Deal ended the Depression or caused it to endure until World War II spending pulled us out of the ditch, few deny that FDR left a monumental legacy.

We see it in the great dams of the West and TVA in the South, in the REA that first brought electricity to America's farms, in deposit insurance, unemployment benefits and Social Security.

Lyndon Johnson seized on the trauma of JFK's assassination and racial incidents such as Selma Bridge to enact the Civil Rights Act of 1964 and the Voting Rights Act of 1965.

Ronald Reagan seized on the humiliation of the Iranian hostage crisis, Moscow's invasion of Afghanistan and the worst recession since the 1930s to rebuild the military, create a 600-ship Navy, push the Soviet Empire out of Central America and Afghanistan, and cut taxes from 70 percent to 28 percent, creating 20 million jobs in a seven-year boom that inspired the awe, envy and emulation of much of the world.

Not for nothing are the '80s remembered as the Reagan Decade.

Obama himself has spoken of FDR and Reagan as the kind of "transformational" presidents he wishes to become.

Which brings us to that "stimulus package," the price of which is \$819 billion and rising, 6 percent of gross domestic product, piled on a deficit already projected at \$1.2 trillion. As it was being whistled through the House, not one Republican voted aye. A dozen Democrats could not stomach it, either.

Does President Obama really want this Nancy Pelosi New Deal to be his legacy? Because that is exactly what he is inviting. And before he uses force majeure to ram this bill through the Senate, he ought to consider what the honest objections are.

When Sen. John Kyl, at a White House meeting with Obama, said that giving income tax rebates to millions of folks who pay no income taxes seems to be simply welfare, Obama tersely replied, "I won."

Indisputably. But does it make sense to include in a plan to prepare America for the 21st century

borrowing billions from Beijing to mail out in \$500 checks to folks who don't pay income taxes, so they can run down to Wal-Mart and buy more goods made in China?

The New York Times reports Monday in a front-page story about California, "A State With a Wish List," "More than two-thirds of the states are facing budget shortfalls this year and next ... and could use the money to help balance budgets, blunt potential cuts in education and shrink Medicaid obligations."

Sure, they could. But is this remaking America? Or is it bailing out the same state and local politicians Barack himself castigated in his inaugural as those responsible for "our collective failure to make hard choices"?

Why would Barack wager his presidency on a gamble that, by handing over hundreds of billions in borrowed federal money, to spare governors and mayors the consequences of their own profligacy, he can remake the America economy and ignite a real recovery?

What are the fundamental objections to the Obama-Pelosi plan?

It is three parts social spending to one part stimulus. It takes too long to work. It represents a permanent not temporary expansion of government.

It is too much LBJ, who bet the ranch on spending and failed, and not enough JFK, who bet on tax reductions that succeeded.

Even Bill Clinton would not have ceded so much to the tax-and-spend wing of his party, which he relied on for votes, not advice.

Has Obama no more imaginative ideas for government's role in reshaping the economy for the 21st century than this? Was it all talk all along, to prepare the way for a return to the days of spend and spend?

Sad, because this is likely to be Obama's last shot at getting this economy on its feet and running by 2010. For Americans are not as patient as they were in the 1930s, when FDR could try one idea, then another, then another for five years, and continue to roll up massive electoral victories.

If Obama gets this one wrong, and all this pork and welfare fail to generate real growth, his party could face a wipeout in 2010, and his opportunity could be lost forever. Does he really want to bet the farm on the nag Nancy Pelosi just trotted out of the House?

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