

Biden aide says door is open to discussing spending cuts with Republicans

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One of President Joe Biden's top economic advisers said that he was willing to discuss spending cuts with the Republicans newly in control of the House of Representatives, but that these cuts could not include Social Security and Medicare.

Jared Bernstein, a member of the Council of Economic Advisers, was interviewed on "Fox News Sunday," and he told the Republican-oriented cable network that Biden rejected negotiations over raising the US debt ceiling as an "absolute nonstarter," but would discuss spending cuts in separate talks.

"The negotiation over the debt ceiling, over default, is an absolute nonstarter for this president," Bernstein said. "There is a separate set of discussions and negotiations over fiscal policy. We have our budget, we want to see what Republicans have."

"That's the discussion that the president is anxious to have with Republicans," he continued. "But the problem is, they really need to bring a plan to the table."

"If they want to join with him on that kind of fiscal responsibility, deficit reduction, without cuts to Social Security and Medicare, he is all ears," Bernstein added. "Yet if they really want to slash spending, they would have to take a butcher knife to Social Security and Medicare, OK?"

In separating the debt ceiling from talks on cutting spending, and separating talks on cutting spending from talks on Social Security and Medicare, Bernstein reveals the mechanism by which the ground is being prepared for massive cuts in the most important remaining federal social benefits, which provide income and health insurance for more than 50 million retired and disabled workers.

This separation is purely rhetorical, a device to distract the American public with the pretense that both

parties reject cuts in Social Security and Medicare, when behind the scenes they are engaged in systematic preparations to do exactly that.

The consensus within the corporate ruling elite was expressed in an editorial published in the Monday print edition of the *Washington Post*, calling for the Republicans and Democrats to take up the question of Social Security and Medicare "reform"—i.e., major cuts in benefits and eligibility—as soon as the debt ceiling crisis is disposed of.

The editorial presents the newspaper, owned by megabillionaire Jeff Bezos, as opposed to incorporating cuts in entitlement programs such as Social Security and Medicare into the debt ceiling talks.

The *Post* warns against "a contentious debate about third-rail entitlement programs" during the debt ceiling discussions, because avoiding a federal default on debt is an overriding necessity for the US and world financial system.

"Yet the discussion needs to happen sometime, and sooner rather than later," the editorial continues. "These entitlements—which already account for about a third of federal spending—remain on unsustainable trajectories, and protecting them for future generations is too important to keep reform off the table indefinitely."

Like most such calls for cuts by the Republicans and Democrats, gutting Social Security and Medicare is described as "strengthening" the program for the younger generation, or, like the *Post*, "protecting them for future generations."

This means that benefits must be cut and the age of eligibility raised so that the rapid depletion of the Trust Funds which pay out benefits to recipients can be stretched out. Cutting benefits for middle-aged workers, not yet retired, would leave a pittance for

younger workers when they retire, rather than nothing at all. Some “strengthening”!

The editorial continues: “The potential trade-offs aren’t painless, but some mix of benefit reductions and tax increases is necessary. Think about raising the Medicare eligibility age to 67 to match the existing Social Security retirement age for those born in 1960 or later. Perhaps raise premiums for Medicare beneficiaries with higher incomes. And maybe reduce Social Security benefits for those with higher incomes.”

These “higher incomes” are not so high, and the ceiling will be steadily reduced. Ultimately, such measures will transform Social Security and Medicare from universal benefits into pensions and health insurance limited to the poorest sections of the population, undercutting their popular support and allowing right-wing demagogues to depict them as “welfare” and advocate their complete termination.

Neither the Republicans nor such liberal voices as the *Washington Post*, nor the congressional Democratic leadership and the Biden administration propose any measures to replenish the depleted Trust Funds by taxing the super-rich, those who have profited enormously during a pandemic which has wreaked a colossal toll of death and sickness, particularly among the elderly.

There are no doubt sections of the ruling elite who have noted approvingly that COVID-19 has significantly eased the pressure on the Social Security Trust Fund and private pension funds by removing many elderly claimants of benefits well before their time. These sentiments have been voiced by open eugenicists like Dr. Ezekiel Emanuel.

At least one prominent Republican, former vice president Mike Pence, has raised the issue of cuts in Social Security and Medicare as part of his preparations for a likely run for the 2024 Republican presidential nomination. Speaking to a meeting of the National Association of Wholesaler-Distributors on Friday, Pence claimed that 70 percent of the federal budget is entitlement programs to assist various groups of people, and that “the truth is we’ve got to have a conversation” about the future of such programs.

The Republican-controlled House gave a glimpse of the coming attack on entitlement programs during the debate on the House Rules Committee on a resolution denouncing socialism, which was passed Thursday by

the full House. When one Democrat proposed an amendment that would declare that the resolution should not be interpreted to attack Social Security and Medicare as “socialist”—a longstanding contention of the Republican right—it was voted down by the Republican majority.

Representative Tom Cole (R., Okla.) has introduced a bill to set up a bipartisan commission to study the plight of the Social Security Trust Fund, and said that a long-term solution would likely include both tax increases and reduced eligibility. “When people say ‘Don’t touch Medicare, Medicaid, Social Security,’ and then don’t present your plan, they’re the ones exploiting it,” Cole told the press. “To say not to touch it is to mean let it go bankrupt.”



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