In budget talks with Biden: Republicans target food stamps, student loans for cuts

Patrick Martin 9 February 2023

In their initial proposals for social spending cuts, in response to a repeated request from President Joe Biden, congressional Republicans have put forward demands to target food stamps and other programs for the poor, as well as to rescind entirely Biden's proposed student loan debt relief plan, which is currently being challenged in the courts.

While the White House has publicly rejected efforts to link budget cuts to the raising of the federal debt ceiling, which Congress must approve by early June to avoid a federal debt default, the talks have nonetheless begun, on the basis of a purely nominal separation. Debt ceiling talks are going on in one room, as it were, and talks on cuts in social spending in another room, conducted simultaneously and interlinked.

Biden implicitly backed this cynical arrangement by agreeing to a meeting with Republican House Speaker Kevin McCarthy in the first place. He repeated his appeal to the Republicans to put forward their own budget proposals in his State of the Union speech and in subsequent campaign-style appearances in Madison, Wisconsin, Wednesday and Tampa, Florida, Thursday.

Referring to the formal issuance of a budget proposal for the 2024 fiscal year, which begins October 1, he said in Tampa, "Next month when I offer my fiscal plan, I ask my Republican friends to lay down their plan as well. I really mean it."

The various proposals have not yet been backed by McCarthy or adopted by the House Republican caucus, but they give a glimpse of the type of reactionary attacks on the working class and young people which will be on the table in the talks with Biden begun by McCarthy last week. McCarthy is to return to the White House within a matter of days for the next round.

One list of proposed cuts was released by Representative Jodey Arrington of Texas, the new chairman of the House Budget Committee, on behalf of the Republican majority on that panel. Arrington identifies himself as a "far-right ideological conservative," putting him squarely in the mainstream of the Republican caucus.

The 21 Republicans include four members of the ultraright group that held up McCarthy's election as Speaker for 15 ballots last month, in order to extract concessions on House rules and budget policy.

The measures proposed include cuts totaling more than \$1 trillion in domestic discretionary spending, none of it from the military or police, which are treated as untouchable.

The biggest single cut would be \$404 billion from Biden's proposed relief of student loan debt, which came to less than one quarter of the massive \$1.7 trillion budget, but was still anathema to the Republican right. There would be a \$25 billion spending reduction by ending the moratorium on student loan payments, currently set to go through June 30, and \$379 billion by rescinding the debt cancellation plan, which has not yet taken effect because of state lawsuits against it.

Another \$381 billion would come from rescinding \$100 billion in pandemic relief funds that are in the pipeline to the states but not yet expended, combined with the elimination of \$281 billion in "improper payments," estimated by the Government Accountability Office (GAO) but not specifically identified. (The estimate includes underpayments as well as overpayments).

The most significant proprosal is a full-scale onslaught on social benefits for the most vulnerable sections of the working class, estimated to cut at least \$135 billion. Undocumented immigrants, who pay income tax, would be cut off from the Child Tax Credit by requiring Social Security numbers. Workers who qualify for Obamacare subsidies would see those capped. Workers receiving food stamps (SNAP) would be required to provide income verification and submit to work requirements. Those who receive Temporary Aid for Needy Families (TANF), the very limited cash aid payments remaining after Democrat Bill Clinton backed the abolition of federal welfare payments (Aid to Families with Dependent Children) 27 years ago, would also face work requirements.

Another \$100 billion would be cut from environmental programs, including \$87 billion from spending authorized by last year's Inflation Reduction Act and another \$13 billion for the purchase of electric or low-emission buses, garbage trucks and postal vehicles, as well as reduced spending on "greenways" and trails.

Another proposed cut inadvertently exposes the hollow demagogy of the Republican attack on so-called "woke" spending. These programs, largely directed at opposing prejudice against gays and lesbians, come to a grand total of \$6 million, less than a drop in the bucket. Eliminating them is not an anti-deficit measure, but an expression of the very bigotry the programs are supposed to combat.

The Republican majority on the Budget Committee flatly rejected any increase in taxation on the wealthy, or any increase of any kind in federal revenues, declaring that the budget deficit must be eliminated entirely through spending cuts.

Its press release declared: "We must 'reverse the curse' of deepening deficits and debt by addressing the underlying reason that we are having to raise the debt ceiling to begin with: uncontrolled federal spending."

One of the most vocal members of the committee, Chip Roy of Texas, said there was overall agreement with McCarthy. "The Speaker has indicated his commitment to what we've all agreed to fighting to make sure that we restrict spending," he told the press. "He's been pretty clear about needing caps, and we're going to cap 2024 spending."

Another group of five of the most fascist Republican representatives, all of whom voted against McCarthy's speakership, sent a letter to Biden before the State of the Union speech demanding "structural reforms" in the food stamp program to reduce its total cost significantly. The five include Matt Gaetz, Andy Biggs, Dan Bishop, Lauren Boebert and Ralph Norman. They all represent districts with sizeable numbers of impoverished working people who would be cut off and left to starve under their proposed cuts.

Senator Rick Scott, whose plan to "sunset" Social Security and Medicare every five years was singled out for attack in the State of the Union address, reiterated his support for the proposal in remarks on Twitter and to the press.

As for the Republican leadership, Speaker Kevin McCarthy declared after Biden's speech, "A responsible debt limit increase that begins to eliminate wasteful Washington spending and puts us on a path to a balanced budget is not only the right place to start, it's the only place to start... The debt limit is one of the most important opportunities Congress has to change course."

The Democrats and the Biden administration will now proceed to "negotiations" with the Republicans, which will inevitably end in massive cuts to social programs.



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