

Spending Our Way to Solvency?

IN A DEEPENING RECESSION, what does the reasonable man do?

Seeing friends laid off, he will get rid of all but essential credit cards, dine at home more often, terminate unnecessary trips to the mall, put off buying a new car, give up the idea of borrowing on the vanishing equity in his house. He will begin to save and start paying down debt.

A company that has reached the limits of its credit and is staring at Chapter 11 will batten down the hatches, lay off nonessential workers, cut employee hours, put off expansion plans, cancel year-end bonuses, and try to ride out the storm.

This is the natural behavior of people responsible for others in an economic storm of the magnitude of the category-four hurricane heading our way. Yet to see and hear our government, folks are doing exactly the wrong thing.

For the U.S. government is set to borrow on a colossal scale, unprecedented save in World War II, and take America trillions of dollars deeper in debt to pick up the slack in the economy caused by the rational decisions of individuals and corporations.

The Fed, whose easy-money policy created the housing bubble that has exploded in our faces, is back printing money and shoveling cash into the banks. And though the Bush deficits are said to have been responsible for our troubles, a new Congress and president have advanced a deficits-be-damned, full-spending-ahead policy.

On top of Bush's \$455 billion deficit and hundreds of billions in bailouts for AIG, Bear Stearns, Fannie, Freddie, and Citigroup, Obama is talking up a new stimulus package of \$500 billion to \$1 trillion.

Our governors and mayors—who, facing deficits, had been cutting back—

have now reversed field and are demanding to follow the federal formula.

When Obama arrived at the National Governors Association Conference in Philadelphia, they pounced. Led by Pennsylvania's Ed Rendell, they handed Barack a bill: \$138 billion. The governors want U.S. taxpayers to relieve them of what American families face: the need to cut spending, pay down debt, make sacrifices, take pain, and live within their means.

According to the *Wall Street Journal*, the mayors have now followed the governors' lead, declaring they have 4,100 projects "ready to go," which they want U.S. taxpayers to fund.

What are these projects? Under the ever-popular rubric "infrastructure," they include roads, bridges, schools, and public buildings. California Gov. Arnold Schwarzenegger says he has \$28 billion worth "ready to go," which he would like folks in the other 49 states to fund.

Now historically, bridges, highways, roads, and public buildings have been regarded as pork. In the campaign, they were "earmarks"—payoffs for powerful constituents, a form of political corruption that reformers like Obama and John McCain were going to end.

Now, it seems, earmarks are our salvation. Why are governments at every level doing this?

Because government believes that the restoration of economic health requires us to act against our natural instincts in a recession and start buying and financing new homes and cars and get back to the malls, lest this Christmas season become a bummer for retailers.

After all, 70 percent of our gross domestic product is now based on consumption, though Americans in recent years have had a savings rate of zero.

The disconnect between the instincts of average citizens and the policies of government could not be greater. Governments want us to act prodigally, while natural instincts and inclinations are telling us to act conservatively.

Conservatism and capitalism are giving conflicting signals.

Average Americans are behaving as though in rehab, trying to kick a bad habit of spending more than they earn and borrowing more than they can pay back, while the U.S. government is suggesting that what we really need is to return to the auto showrooms and malls and start spending again, only in radically increased dosages.

Beyond the present recession, questions arise as to whether the U.S. model is sustainable. If government spending were the remedy to recession, why, after Bush's deficits, are we in recession? And if the easy money of Ben Bernanke's Fed is the cure for what ails us, how did we get sick when Alan Greenspan's Fed was conducting a never-ending policy of easy money?

How does it stimulate the private economy to pump hundreds of billions of dollars into consumer checking and credit-card accounts, when more and more of what we consume—from computers to cars to clothes—isn't even produced in America anymore?

What do conservatives, few of whom have opposed the Obama plans and fewer of whom have called for repeal of Bush's big-spending social programs, believe is the alternative approach to ending the recession and creating a sustainable economy?

For the economy we have seems to be condemned to an ever-deepening and widening cycle of crises, each brought on by the cure for the previous crisis, which is always the same: more government. ■

Fight of Their Lives

What anti-abortion activists can expect from an Obama administration

By Michael Brendan Dougherty

ABORTION NEVER BECAME a major issue in the 2008 campaign. But Barack Obama's promise of change extends to the modest legal protections pro-lifers have managed to enact on behalf of the unborn. He has pledged to eliminate them.

By next spring, the incoming administration and pro-life activists will be locked in a series of battles over healthcare mandates, federal funding of abortion, and the composition of delegations to UN conferences. Pro-lifers believe that everything they have worked for since *Roe* is at risk. In a speech at Catholic University, Cardinal Francis Stafford said that Obama's "extremist anti-life platform ... is aggressive, disruptive and apocalyptic." He summed up the dark mood of his fellow activists: "On November 4, 2008, America suffered a cultural earthquake."

Pro-lifers have reason to be worried. Obama has been an abortion-rights leader throughout his career. As a state senator in 2002, he spoke out against a bill that would have extended legal protections to infants who survive botched abortions in Illinois, saying the measure "was actually designed to overturn *Roe v. Wade*." He helped scuttle the same bill as a committee chairman in 2003. Obama's opposition stands out because that law was modeled on a similar federal "born-alive" bill that received unanimous approval in a 98-0 vote in the U.S. Senate the year before. Early in his primary campaign, Obama promised Planned Parenthood, "The first thing I'd do as president is, is sign the Freedom of Choice Act. That's the first thing I'd do."

According to the National Organization of Women, the Freedom of Choice Act (FOCA) would "sweep away hundreds of anti-abortion laws and policies." The proposed law states, "A government may not (1) deny or interfere with a woman's right to choose (A) to bear a child; (B) to terminate a pregnancy... (2) discriminate against the exercise of the rights set forth in paragraph (1)." Parental consent laws that exist in 36 states would disappear. "Conscience laws" that protect doctors and hospitals in 47 states would be jeopardized by the discrimination clause. The federal partial-birth abortion ban would be overturned. The Hyde Amendment, which restricts federal funding of abortion, would be abrogated. Essentially, FOCA would undo all the work pro-lifers have done to place legal limits on abortion since *Roe*. Professor Michael New, in a study published with the conservative Heritage Foundation, estimated that FOCA would result in approximately 125,000 more abortions performed annually.

FOCA hasn't been seriously debated since 1993, the last time Democrats held majorities in Congress. Nearly two-thirds of the current members in the Senate have never cast a vote on it. Douglas Johnson, legislative director at National Right to Life, estimates that there are "58 Senators who are for *Roe v. Wade*, but not all of them are for FOCA because it goes so much further than *Roe*."

The fight over FOCA could have serious consequences for healthcare generally. At the meeting of the U.S. Confer-

ence of Catholic Bishops, church leaders promised to close Catholic hospitals—nearly a third of all American hospitals—if FOCA passes. Selling these healthcare institutions to groups that would perform abortions was deemed to be "material cooperation with an intrinsic evil" and ruled out. One bishop, Paul Loverde of Arlington, suggested another tactic for fighting FOCA: civil disobedience. At a diocesan event in December, he told a crowd, "I would say, 'Yeah, I'm not going to close the hospital, you're going to arrest me, go right ahead. You'll have to drag me out. ... we will not perform abortions, and you can go take a flying leap.'"

Fr. Frank Pavone, the national director of Priests for Life, agrees with Bishop Loverde's defiant stand, but doesn't anticipate such a dramatic showdown: "It is certainly possible to defeat FOCA itself and also possible to modify and weaken it by preserving 'freedom of choice' for healthcare workers and institutions who freely choose not to participate in abortions. I expect that we will be able to do this, simply because such respect for religious freedom is so deeply rooted in American thinking."

Even if FOCA is defeated, or modified substantially, Obama may begin implementing pieces of it. For instance, each year the Hyde Amendment must be reauthorized as a rider to the Health and Human Services' budget. Passed in 1976, this requirement that government employees, military personnel, and Medicaid recipients pay for their own abor-