

Our Imperfect Work

"We must act, knowing that our work will be imperfect," Barack Obama proclaimed in his second inaugural address. Interestingly, the *Washington Post* blazoned its front page with the first three words without noting the succeeding dependent clause. Yet within this clause, I believe, lies the means by which the president—and Congress—and we—can move past so many of our conflicts and face up to the problems that confront us. The solution lies not in acting, but in recognizing the imperfection of what we do. If our budgets are to be vehicles for change, then we cannot enact so many laws as if the priorities of one time and place must endure forever.

More than ever before, our recent fights carry with them the implication that victory must be complete and total, setting in stone the institutions that will rule over our successors for decades and centuries to come. "We must act," each political party seems to say, "as if our work will be perfect, else our opponents may someday slow down or even reverse our course." Permanent monuments must be made to some liberal or conservative agenda, regardless of whether that monument rests upon unstable ground, employs an architecture glued together from incongruous designs, or fails to leave room for the improvements that only future knowledge may reveal.

Today, if we favor Social Security, it must be maintained permanently in its ancient design. For all generations of ever-expanding life expectancies, we must allow beneficiaries to retire as early as 65, or, when feeling temporarily richer, at 62. We must even accept its 1940s stereotype of the two-parent family, with abandoned mothers required to pay taxes to support spousal benefits for which they are ineligible. Similarly, if we favor less government, we can't just work toward that goal by reducing spending. No, we have to create permanent tax cuts even if that means running economically disastrous deficits.

If we favor helping the poor, then we can never give up support for benefits like SNAP or food stamps. These programs must be etched in the law as superior to any alternative use of those funds, including ones that might provide better opportunities to people in need. If we subsidize an industry, whether oil or alternative fuel or agriculture or manufacturing, then we must enshrine that subsidy in the tax code.

Now, of course, there's good reason for using legislation to try to provide some certainty or security. With perfect foreknowledge, we can plan for the future. But what if that future remains uncertain? Planning for it then requires creating a way to respond to its surprises, good and bad.

Unfortunately, we've gone long past the point where our federal budget could be flexible. A fiscal democracy index I developed with Tim Roper shows that the combination of entitlement growth and low revenues means that today most revenues are already committed to permanent spending programs. Almost every congressional decision to adjust national priorities has to be paid for out of a deficit, or by overturning some past "permanent" enactment.

Earlier, before entitlements became so prevalent and dominant, spending was largely discretionary. Congress also felt that we should pay our bills on time, so it didn't finance tax cuts for today's generations by passing those liabilities onto future generations. Though many programs survived for decades, most still had to receive new votes of support. Even more important, almost none had any built-in growth. That made it easy to let some ideas languish as others came into prominence, leaving room for new choices or reconsideration over time.

Compromise is much easier when one side or the other isn't forced into reneging on past promises to the public. It's easier when it's possible down the road to proceed on the same course, pursue the same

objective via a different course, or decide on both a new objective and course. It's easier when we're not asking our opponents to keep funding some permanent monument we want erected to ourselves.

"But we have always understood that when times change, so must we; that fidelity to our founding principles requires new responses to new challenges...We understand that outworn programs are inadequate to the needs of our time...Let us answer the call of history, and carry into an *uncertain future* that precious light of freedom." (Barack Obama, January 21, 2013; emphasis mine).

The Government We Deserve is a periodic column on public policy by Eugene Steuerle, an Institute fellow and the Richard B. Fisher Chair at the nonpartisan Urban Institute. Steuerle is also a former deputy assistant secretary of the Treasury. The opinions are those of the author and do not necessarily reflect those of the Urban Institute, its trustees, or its sponsors.

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