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# Tea Party's War on America

By JOE NOCERA

You know what they say: Never negotiate with terrorists. It only encourages them.

These last few months, much of the country has watched in horror as the Tea Party Republicans have waged jihad on the American people. Their intransigent demands for deep spending cuts, coupled with their almost gleeful willingness to destroy one of America's most invaluable assets, its full faith and credit, were incredibly irresponsible. But they didn't care. Their goal, they believed, was worth blowing up the country for, if that's what it took.

Like ideologues everywhere, they scorned compromise. When John Boehner, the House speaker, [tried to cut a deal](#) with President Obama that included some modest revenue increases, they humiliated him. After this latest agreement [was finally struck](#) on Sunday night — amounting to a near-complete capitulation by Obama — Tea Party members went on Fox News to complain that it only called for \$2.4 trillion in cuts, instead of \$4 trillion. It was head-spinning.

All day Monday, the blogosphere and the talk shows mused about which party would come out ahead politically. Honestly, who cares? What ought to matter is not how these spending cuts will affect our politicians, but how they'll affect the country. And I'm not even talking about the terrible toll \$2.4 trillion in cuts will take on the poor and the middle class. I am talking about their effect on America's

still-ailing economy.

America's real crisis is not a debt crisis. It's an unemployment crisis. Yet this agreement not only doesn't address unemployment, it's guaranteed to make it worse. (Incredibly, the Democrats even abandoned their demand for extended unemployment benefits as part of the deal.) As Mohamed El-Erian, the chief executive of the bond investment firm Pimco, told me, fiscal policy includes both a numerator and a denominator. "The numerator is debt," he said. "But the denominator is growth." He added, "What we have done is accelerate forward, in a self-inflicted manner, the numerator. And, in the process, we have undermined the denominator." Economic growth could have gone a long way toward shrinking the deficit, while helping put people to work. The spending cuts will shrink growth and raise the likelihood of pushing the country back into recession.

Inflicting more pain on their countrymen doesn't much bother the Tea Party Republicans, as they've repeatedly proved. What is astonishing is that both the president and House speaker are claiming that the deal will help the economy. Do they really expect us to buy that? We've all heard what happened in 1937 when Franklin Roosevelt, believing the Depression was over, [tried to rein in federal spending](#). Cutting spending spiraled the country right back into the Great Depression, where it stayed until the arrival of the stimulus package known as World War II. That's the path we're now on. Our enemies could not have designed a better plan to weaken the American economy than this debt-ceiling deal.

One thing Roosevelt did right during the Depression was legislate into being a social safety net to soften the blows that a free-market economy can mete out in tough times. During this recession, it's as if the government is going out of its way to make sure the blows are even more severe than they have to be. The debt-ceiling debate reflects a harsher, less empathetic America. It's sad to see.

My own view is that Obama should have played [the 14th Amendment card](#), using its language about "the validity of the public debt" to unilaterally raise the debt ceiling. Yes, he would have infuriated the Republicans, but so what? They already view him as the Antichrist. Legal scholars believe that Congress would not have been able to sue to overturn his decision. Inexplicably, he chose instead a

course of action that maximized the leverage of the Republican extremists.

Assuming the Senate passes the bill on Tuesday, the debt ceiling will be a nonissue until after the next election. But the debilitating deficit battles are by no means over. Thanks to this deal, a newly formed supercommittee of Congress is supposed to target another \$1.2 trillion to \$1.5 trillion in cuts by late November. If those cuts don't become law by Dec. 23, automatic across-the-board cuts will be imposed, including deep reductions in defense spending.

As has been explained ad nauseam, the threat of defense cuts is supposed to give the Republicans an incentive to play fair with the Democrats in the negotiations. But with our soldiers still fighting in Afghanistan, which side is going to blink if the proposed cuts threaten to damage national security? Just as they did with the much-loathed bank bailout, which most Republicans spurned even though financial calamity loomed, the Democrats will do the responsible thing. Apparently, that's their problem.

For now, the Tea Party Republicans can put aside their suicide vests. But rest assured: They'll have them on again soon enough. After all, they've gotten so much encouragement.



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