Budget Sequestration

Obama's Coup Against Congress Gathers Steam

by Carl Osgood

Aug. 13—The Obama Administration is moving full-speed ahead to overthrow the U.S. Constitution, specifically, the authority of the Congress to declare war and to establish the national budget. Obama is carrying this out by manufacturing "crises" that require that Congress take "emergency" action, through measures that cause the Congress itself to surrender more and more of Constitutional prerogatives to an out-of-control Excecutive.

The first step in saving the nation from this coup is the long overdue Constitutional removal of Obama from office.

Obama's ongoing coup against the Constitution entered a new phase, a little over a year ago, when the false debt-ceiling crisis was used to stampede Congress into passing the Balanced Budget and Emergency Deficit Control Act (BCA, for short), which mandated that Congress cut \$1 trillion over ten years from Federal spending, beginning with the fiscal 2013 budget; it also required that Congress develop a plan for cutting at least another \$1.2 trillion through a joint committee of the Congress, which was tasked to come up with a plan by Nov. 23, 2011. If the joint committee failed, then the mechanism known in Washington parlance as "sequestration" would swing through the entire discretionary budget like an axe, taking an equal amount from every single department, agency, and program, in order to meet that deficit reduction target.

The Obama Administration submitted a budget last February, which it said met the first deficit reduction target of the BCA, including taking \$487 billion out of projected Pentagon spending over the next ten years. To no one's surprise, the joint committee failed. Since January 2012, therefore, the Administration has been building toward the next false crisis, when the budget axe is scheduled to begin swinging on Jan. 2, 2013.

The 'Chicken-Game'

While sequestration, by definition, would hit all areas of the discretionary budget (that is, those parts of

Federal spending subject to annual appropriations bills passed by the Congress) equally, the largest part of discretionary spending is the Defense budget. As a result, the impact of sequestration on defense has been dominating the debate.

It is estimated that sequestration will take another approximately \$500-600 billion out of the Defense budget, on top of the \$487 billion that the Administration has already proposed be cut. Defense Department personnel, from Secretary Leon Panetta on down, warn that the cuts would be disastrous for national defense, but the Obama White House has so far not advanced an alternative proposal. Washington sources have indicated to *EIR* that Obama prefers to wait until after the November election. If reelected, Obama can dictate the terms of any budget settlement, thus further cementing his coup against the Constitution. If he loses the election—"not my problem."

Would Obama's Republican opponent Mitt Romney have a different approach? Quite the contrary: Romney has already indicated that he fully supports the budgetslashing process, notably by his selection of House Budget Committee chairman Paul Ryan (R-Wisc.) as his running mate. Last May, the House passed legislation introduced by Ryan—an avid follower of the fascist theoretician Ayn Rand—which, while nominally aimed at preventing the sequester from hitting the Pentagon budget, would replace that mechanism with a package of cuts to mandatory programs, amounting to \$78 billion in 2013, in order to meet the deficit-cutting demands of the BCA. That \$78 billion would cause another \$242 billion in mandatory cuts over the remaining nine years. Republicans have said that the rest of the required deficit reduction would come from further cuts in discretionary spending.

Since Ryan has long targeted entitlements, namely, Medicare and Social Security, for elimination, it is likely that a Romney Administration would slash even more than Ryan's legislation proposes. Not surprisingly, the Democratic-controlled Senate has let Ryan's bill languish, in keeping with Obama's opposition to any legislation that would repeal the sequester.

In the meantime, Obama and Panetta are using the *threat* of sequestration to demand massive austerity in entitlements, which is where the money would have to come from in order to save the Pentagon from further substantial budget cuts. The hammer being used, specifically, is Obama's Defense Strategic Guidance, released in January, which is little more than a continua-

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White House/Pete Souza

Defense Secretary Panetta (left) warns that sequestration will be catastrophic for defense, but Congress is leaving it up to Obama.

tion of the Cheney-Rumsfeld imperial war plan. The difference is that the manpower-intensive wars in Iraq and Afghanistan that characterized the Bush-Cheney years, are giving way to wars of regime change, as in Libya in 2011, and now, in what is being attempted in Syria. Such a path will likely lead to nuclear confrontation with Russia and China in the not-too-distant future.

The budget plan that the Administration submitted to Congress in February is designed around this strategy. Sequestration, the Congress is told, would make Obama's wars impossible to carry out. "If sequester goes into effect you can throw all of this out the window," Panetta told the House Armed Services Committee on Feb. 16. "Sequester doubles the numbers of cuts, does it through that crazy formula, and guarantees that we're going to hollow the force and devastate our national security."

1 Million Layoffs

Since the release of the FY13 budget, the Obama Administration and Congressional Republicans have gone back and forth on sequestration. Panetta and Jeffrey Zients, the head of the Office of Management and Budget, are telling the Congress to come up with a deficit reduction plan that will make sequestration unnecessary, and Congressional Republicans are shooting

back and demanding to know how the Administration would implement sequestration.

The defense industry, meanwhile, has been frantically trying to figure out what sequestration would mean for it. Defense industry leaders have held numerous meetings with Panetta to try to find out how it might be implemented, and have testified before the House Armed Services Committee. They, along with their labor unions, have been warning that sequestration could result in the loss of as many as a million jobs, but they don't really know for sure, because of the lack of information from the Administration. A large portion of these jobs are those of highly skilled workers, such as machinists, welders, electricians, and engineers—jobs that pay well and each one of which supports dozens of other jobs in the private sector.

Industry leaders have also said that, because of legal requirements, they have to send out notices to employees 60 days before layoffs take effect. This would mean that as many as 1 million layoff notices could go out just before Election Day Nov. 6. The political implications are obvious.

The Obama Department of Labor (DoL) responded to the industry warnings by issuing a new guidance July 30, saying that, number one, sequestration is not a foregone conclusion, as there are efforts underway to try to prevent it; and number two, should sequestration occur, layoffs resulting from contract terminations would be "sudden and dramatic," and therefore, subject to a loophole in the law, which allows suspension of the 60-day notice under certain conditions. House Armed Services Committee chairman Howard "Buck" McKeon (R-Calif.) called the DoL guidance "politically motivated," adding that "the only certainty we are dealing with is that dramatic cuts will force huge job losses." As a result of the guidance, "people will still get laid off because of the President's irresponsibility, but they won't have the notice to protect themselves and their families."

Both sides in this fight are treating the Budget Control Act as if it were set in stone, but, in fact, under the Constitution, the Congress writes the laws, and can rewrite and even repeal existing laws. While such actions are subject to Presidential veto, Congress can once again become the co-equal branch of government, as provided in the Constitution, rather than making "deals" with the President that reduce its authority. It is time that Congress act to save the nation, by constitutionally removing Obama from the Presidency.

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