

Opinion: Deficit shouldn't preclude investment in future

By Robert Reich

The federal budget deficit will hit nearly \$1.5 trillion this year, according to the Congressional Budget Office. Should you be worried? It depends on what we're borrowing the money for.

But it's impossible to have an intelligent discussion about this because the federal deficit is a swamp of misleading figures hiding within a cloud of confusion inside a fog of misinformation.

Which is probably why most Americans think it ought to be reduced but don't want to make any sacrifices to do so. According to a recent CNN poll, only 1 American in 5 regards the federal deficit as such a big problem as to justify cuts in Social Security or Medicare – which, along with national defense, are the biggest spending items.

So we get House Republicans piously promising to reduce the deficit without coming up with any serious proposals to do so. And the president says he intends to reduce the deficit but then devotes his State of the Union address – presumably his campaign theme leading up to 2012 – to the importance of spending more on the key “investments” of education, infrastructure and basic research.

By the way, the president is absolutely right about those investments. But he's not going to get anywhere if they're competing for dollars with Social Security, Medicare and defense. And he doesn't have a prayer of getting extra dollars to help hard-pressed states that are disinvesting like mad in education and infrastructure.

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