

# Obama proposes short-term budget fix to avoid 'self-inflicted wound' of sequester

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By  
Sarah Muller

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Obama proposed a short-term solution during a press conference at the White House, warning "we can't cut our way to prosperity." The president described the sequester as a "harmful" and "self-inflicted wound" at the hand of lawmakers that would do more harm than good to the economy.

President Obama asked Congress to pass a small mix of spending cuts and tax reforms on Tuesday to push back the onset of automatic spending cuts, known among policy wonks as the "sequester."

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If Congress doesn't lift a finger, the across-the-board cuts are scheduled to kick in on March 1. But, Obama argued these cuts are too drastic for the still-shaky markets to handle and urged a less rushed, "balanced" approach to stay in economic recovery mode. He suggested if elected officials can't go big on a budget package, at least go small to stop the sequester.

"There's no reason that the jobs of thousands of Americans who work in national security or education or clean energy, not to mention the growth of the entire economy, should be put in jeopardy just because folks in Washington couldn't come together to eliminate a few special interest tax loopholes or government programs that we agree need some reform," he said. "Let's keep on chipping away at this problem together, as Democrats and Republicans, to give our workers and our businesses the support that they need to thrive in the weeks and months ahead."

The recent fiscal cliff deal originally [postponed the sequester](#). But if Congress fails to come up with \$1.2 trillion in spending cuts over the course of a decade, the cuts would kick in as a trigger mechanism. Essentially, if lawmakers can't find ways to trim the budget, the sequester does their job for them.

"The sequester was never intended to be policy, but was meant to force Congress to act to further reduce the deficit in a balanced way," a White House official said.

Before the president's speech, House Speaker John Boehner shot down the possibility of any tax revenue increases and insisted spending cuts must not be delayed.

"President Obama first proposed the sequester and insisted it become law. Republicans have twice voted to replace these arbitrary cuts with common-sense cuts and reforms that protect our national defense," Boehner said in a written statement on Tuesday.

The statement continued, "We believe there is a better way to reduce the deficit, but Americans do not support sacrificing real spending cuts for more tax hikes. The president's sequester should be replaced with spending cuts and reforms that will start us on the path to balancing the budget in 10 years."

Last year, the Republican-controlled House passed two measures which to replace the sequester and protect military spending. To make ends meet, their plan shifted cuts towards more domestic programs, like Medicaid and other social service programs. But, it never went anywhere because the Democratic-controlled Senate never took up the issue.

In response to the president's speech, Senate Republican Leader Mitch McConnell said it's time for the president to "get serious" on deficit reduction. "The president, who first proposed the sequester, and who just last year claimed that the sequester 'will not happen' now wants to

'delay' the sequester for a few months with more permanent tax hikes at a time when American families are already feeling the pinch of the Obama economy," he said. "Now that Congress has acted on the tax issue, the President needs to lay out significant spending reforms-the other side of the 'balance' as he defines it. But every day spent talking about 'corporate jets' is a day wasted, and given that the President again missed the deadline to submit a budget this year, there's not much time to spare."

Senior Democrat aides told NBC News they plan to discuss the president's tweaked sequestration proposal at their retreat Tuesday in Annapolis, Md. Senate Majority Leader Harry Reid suggested he wants to put this plan up for a vote.

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