
MEMORANDUM

TO: ANY GOP CONGRESSMAN, THEIR SENIOR STAFF, OR GOP/RNC OPERATIVE

FROM: BRUNO BEHREND

SUBJECT: THE "ROLLING SEQUESTER" - A STRATEGY FOR WINNING THE BUDGET BATTLE

DATE: SEPTEMBER 22, 2013

Introduction and Background

This memorandum lays out a strategy for the Republican leadership in the House to win the "budget battle" for the duration of the 2014 election cycle. My goal is to provide a long-term plan for consistent cuts in Federal spending while maintaining/increasing political support for these cuts among the electorate.

As of the date of this writing, President Obama has stated that he, "will negotiate with Republicans on spending issues, but will not negotiate on the issue of the debt ceiling," which he says it is "their responsibility to take action on." (paraphrased from 9/19 news report)

Leaving partisan opinion aside, the President's position is a smart one. In the last budget debate, John Boehner came away the clear winner, making 95% of the Bush tax cuts permanent while putting in place "the sequester." While elements of the conservative base consider this a loss, the Republicans' willingness to trigger the sequester represented the first real success in slowing the growth of government spending.

The strategy outlined below builds upon the success of the sequester while effectively undermining political support for the President's plans to increase taxes and spending. My views are based upon various articles on polling data available in the press. Time constraints prevent me from citing them here. While polls show there is support for cutting the deficit, other polls indicated Republicans are courting disaster if they shutdown the government over either ObamaCare, or over refusal (or delay) to raise the debt ceiling.

The "Rolling Sequester"

If one assumes that my premises are correct [that shutting down the government over the debt ceiling or ObamaCare will court disaster for the GOP], then there are very few choices available to the party. Fortunately, the best choices are very easy and politically popular. There is no reason for the GOP lose either the PR battle or the policy debate. I recommend the following steps for the Republican leadership in the House

Step 1 - Determine reasonably accurate monthly deficit projections for the next year.

This step is fairly simple. The CBO and GAO can easily develop relatively accurate numbers estimating the projected monthly deficit one year out. These estimates should be put on a graph or pie chart, ready to be presented to the public.

Step 2 - Call a press conference on the capitol steps, preferably including the entire Republican caucus.

Just prior to the press conference, the Republican leadership should send out a press release indicating that they will "not play chicken" with the President on the debt ceiling. It should also advertise that the Republican Party *will not shut down the government*, but *will use the debt ceiling to enforce fiscal responsibility* on the Federal spending.

At the press conference, Boehner can lay out the plan as follows.

Step 3 - Implement the "Rolling Sequester"

First, take out the charts and graphs that illustrate the monthly deficit estimates for 12 months going forward.

Second, promise the American people that the House of Representatives *will raise the debt ceiling every month going forward*, but only by 90% of the projected monthly deficits. Use one or two other charts showing how this policy reduces the deficit over 12 months, as well as by how much.

Third, remind the American people that the sequester which took effect in early 2013 did not damage the country or the economy, but rather began the process of effectively reducing the Federal deficit in the few short months it has been in force.

Fourth, remind the American people that every citizen earning wages experienced a tax increase this year, and that any tax increase, whether to close the deficit, or to spend more money, will slow the already sluggish economy.

This policy achieves many Republican goals. First, it reduces the deficit, which polls indicate is very popular among Republicans, independents and pockets of conservative Democrats.

Second, it avoids a government shutdown, which polls indicate is, a) unpopular, and b) likely to be blamed on Republicans by overwhelming margins.

Third, it effectively puts the onus on the Democrats to negotiate spending reductions on a continuous basis, all the way through the 2014 elections. This is a particularly important point, given that our citizens want deficit reductions that the Democrats are unwilling to make. To win this argument, the Democrats have to make the unpopular case that the Federal government can't cut \$10-20 billion per month from a bloated federal budget of over \$3.8 billion.

Conclusion

This strategy has side-benefits as well. It allows the GOP to triangulate between the intransigents in the tea party and more moderate elements of the electorate. Clearly, there will be some GOP congressman who argue this is "capitulating to the President ." This actually works in the GOP's favor, as that congressman is likely in a safe district, while voters in competitive districts may give the GOP credit for being "moderate," and tamping down their "crazy tea party base." (their belief, not mine)

No policy is perfect. Therefore, I'm very interested in discussing this idea with anyone who can shoot holes in it. My goal is to protect the Republican majority in the House, while keeping open the possibility that Republicans take control the Senate in 2014. I am happy to present and/or discuss this with any congressman or their senior staff, and I will make myself available to lobby for it.