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## Read My Lips

By THOMAS L. FRIEDMAN

**D**emocrats have been groping for a way to counter George Bush's maniacal tax cuts, which are designed to shrink government and shift as many things as possible to the market. May I make a suggestion? When you shrink government, what you do, over time, is shrink the services provided by federal, state and local governments to the vast American middle class. I would suggest that henceforth Democrats simply ask voters to substitute the word "services" for the word "taxes" every time they hear President Bush speak.

That is, when the president says he wants yet another round of reckless "tax cuts," which will shift huge burdens to our children, Democrats should simply refer to them as "service cuts," because that is the only way these tax cuts will be paid for — by cuts in services. Indeed, the Democrats' bumper sticker in 2004 should be: "Read my lips, no new services. Thank you, President Bush."

Say it with me now: "Read my lips, no new services — or old ones."

Whenever Mr. Bush says, "It's not the government's money, it's your money," Democrats should point out that what he is really saying is, "It's not the government's services, it's your services" — and thanks to the Bush tax cuts, soon you'll be paying for many of them yourself.

As the former Nixon-era commerce secretary Peter Peterson just observed in this newspaper, when Mr. Bush took office the 10-year budget projection showed a \$5.6 trillion surplus — something that would easily prefinance the cost of Social Security. The first Bush tax cut, coupled with continued spending growth and the post-9/11 costs, brought the projected surplus down to \$1 trillion. "Unfazed by this turnaround," notes Mr. Peterson, "the Bush administration proposed a second tax-cut package in 2003 in the face of huge new fiscal demands, including a war in Iraq and an urgent 'homeland security' agenda." Result: now the 10-year fiscal projection is for a \$4 trillion deficit.

This in turn will shrink the federal government's ability to help out the already strapped states. Since most states have to run balanced budgets, that will mean less health care and kindergarten for children and the poor, higher state college tuition, smaller local school budgets and fewer state service workers. And Lord only knows how we'll finance Social Security.

Everyone wants taxes to be cut, but no one wants services to be cut, which is why Democrats have to reframe the debate — and show President Bush for what he really is: a man who is not putting money into your pocket, but who is removing government services and safety nets from your life.

Ditto on foreign policy. As we and our government continue to spend and invest more than we save, we will become even more dependent on the outside world to finance the gap. Foreigners will have to buy even more of our T-bills and other assets. And do you know on whom we'll be most dependent for that? China and Japan. Yes, that China — the one the Bush team says is our biggest geopolitical rival.

"In the 1990's, Japan's and China's excess savings were financing our private sector investment, because the government was in surplus," says Robert Hormats, vice chairman of Goldman Sachs International. "Now, with these looming deficits, China and Japan are being asked to finance our government's actual operations." That makes us very dependent on their willingness to continue sending us hundreds of billions of dollars of their savings. Should China and Japan not want to play along, your services will very likely be cut even sooner (unless you believe in "voodoo economics"). Which is why Democrats should rename this tax bill the China-Japan Economic Dependency Act.

I don't think Democrats can win the presidency with a single issue. You win the presidency by connecting with the American people's gut insecurities and aspirations. You win with a concept. The concept I'd argue for is "neoliberalism." More Americans today are natural neolib, than neocons. Neoliberals believe in a muscular foreign policy and a credible defense budget, but also a prudent fiscal policy that balances taxes, deficit reduction and government services.

To name something is to own it. And the Democrats, for too long, have allowed the Bush team to name its radical reduction in services, and the huge dependence it is creating on foreign capital, as an innocuous "tax cut." Balderdash. This new tax cut is a dangerous foray into wretched excess and it will ultimately make our government, ourselves and our children less secure.

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