

The Fiscal Bunny Slope, riding the tow rope

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There's been a lot of chatter about the Republicans actually giving in to most of what Obama wants in terms of taxes in exchange for relatively small benefit cuts for the elderly. The very wealthy will get the full tax increase, and low income seniors will be exempted from cuts. This might be something Obama would take, and not the worst that could happen. Programs would stay intact and ages of eligibility remain the same. The new Democratic Congress in 2015 can fix this pretty easily.

Economists have been crunching the numbers and it seems that the current budget deficit will evaporate with the end of the Bush Wars, the Medicare reforms included in Obamacare and the tax increases that seem likely. That is, if the economy recovers. It adds up to serious money in terms of the additional revenue that we have been missing since the Bush Depression began along with safety net spending on the unemployed.

The economy is moving in the right direction, and if Obama can keep the Republicans in line there is a real possibility of those 'happy days being here again', actually happening. John Boehner's purge of Tea Baggers from critical House committees makes this seem like a real possibility. The only downside is that the Republican Party probably won't go extinct. Democrats are going to need to work on the education of voters to make that happen.

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