

# JOHN MCCAIN SAYS: WANT TO FIX THE ECONOMY? ELECT A DEMOCRAT

A number of people are already mocking John McCain's "plan" to fix the economy.

## **Savings from Victory!**

First, there's this little Orwellian gem.

The McCain administration would reserve all savings from victory in the Iraq and Afghanistan operations in the fight against Islamic extremists for reducing the deficit. Since all their costs were financed with deficit spending, all their savings must go to deficit reduction.

Elsewhere, McCain admits we might not have victory in Iraq for 100 years. Until then, I presume we'll be using deficit spending under President McCain to fund the garrisons of our empire that he's loath to close down. But once we get victory, we're going to have "savings," in that we'll no longer be doing all that deficit spending, and somehow we'll put the money we never had in the first place and still don't have to pay down Bush's Iraq disaster.

Because saying, "if we withdraw from Iraq, we won't be spending so much money that we don't have and can't afford" doesn't sound quite so honorable, does it, even if the "savings" (as in, huge amounts we won't be using deficit funding to fund) are bigger and quicker?

## **McCain Writhes Around on the Third Rail in Glee!!**

And then there's this bit—where he appears to be planning to both privatize social security **and** cut promised benefits.

John McCain supports supplementing the current Social Security system with personal accounts – but not as a substitute for addressing benefit promises that cannot be kept.

Vote McCain! He will renege on the promises made to our nation's seniors! Because I hear seniors don't vote in appreciable numbers!

### **"Read My Lips: No New Taxes Growth"**

McCain, faced with a shitty economy and the prospect of huge deficits, still isn't going to make the mistake Poppy Bush made. Rather than talking about taxes and deficits, he'll just magically promise growth!

Growth is an imperative – historically the greatest success in reducing deficits (late 1980s; late 1990s) took place in the context of economic growth.

Or, to state that another way, "historically the greatest success in reducing deficits (later 1980s; late 1990s) took place in the context of tax increases." Only he doesn't mention that part; it's so much easier to snap your fingers and make this economic disaster go away.

### **Democrats Are Good for the Economy, One**

But I'm most amused that twice, McCain advocates doing what his Democratic colleagues have been busy doing while McCain was AWOL from the Senate. First, there's the Housing Bill, in which McCain basically slaps the label "new" on the policy crafted by Barney Franks and Chris Dodd.

John McCain has proposed a new "HOME Plan" to provide robust, timely and targeted help to those hurt by the housing crisis. Under his HOME Plan, every deserving American family or homeowner will be afforded the opportunity to trade a burdensome mortgage for a manageable loan that

reflects their home's market value.

- *Eligibility: Holders of a sub-prime mortgage taken after 2005 who live in their home (primary residence only); can prove creditworthiness at the time of the original loan; are either delinquent, in arrears on payments, facing a reset or otherwise demonstrate that they will be unable to continue to meet their mortgage obligations; and can meet the terms of a new 30 year fixed-rate mortgage on the existing home.*

- *John McCain's HOME Plan Will Keep 200,000 To 400,000 Families From Losing Their Homes. "But at the same time, McCain is calling for aggressive federal action to help keep 200,000 to 400,000 families from losing their*

homes. That plan has many of the elements of a proposal by Rep. Barney Frank, D-Mass., and Sen. Chris Dodd, D-Conn., requiring participating lenders to forgive part of the loan principal and then write a new loan that would be backed by the federal government through the Federal Housing Administration." (Tom Raum, "Everyone's Invited: McCain Economic Plan Draws From Both Parties," Tucson Citizen, 4/17/08)

- *How It Works:* Individuals pick up a form at any Post Office or download the form over the Internet and apply for a HOME loan. The FHA HOME Office

*certifies that the individual is qualified, and contacts the individual's mortgage servicer. The mortgage servicer writes down and retires the existing loan, which is replaced by an FHA guaranteed HOME loan from a lender.*

Nice of McCain to include the Raum quote that makes it clear he stole this policy from Franks and Dodd. Now, it might be nice if McCain actually showed up to vote for this—or pressured the head of the NRSC to actually let it pass.

#### **Democrats Are Good for the Economy, Two**

But John McCain doesn't give credit on this policy issue.

Congress already has investigations underway to examine this kind of wagering in our energy markets, unrelated to any kind of productive commerce, because it can distort the market, drive prices beyond rational limits, and put the investments and pensions of millions of Americans at risk. John McCain believes that where we find abuses, they need to be swiftly punished.

Perhaps McCain is thinking about the investigations Carl Levin launched in 2002. Or maybe the one Carl Levin launched in 2006.

Or maybe he's talking about S.2642, the Oil and Gas Traders Oversight Act of 2006, which would have provided for oversight over energy speculating **two years ago**—a bill introduced by DiFi and which, as of this morning, has just one

Republican (Snowe) and one Independent (Lieberman) co-sponsor among the 12 co-sponsors.

In fact, of the bills currently proposed to address speculating in the oil markets, just a few have Republican names attached. One Republican out of 58 co-sponsors on Bart Stupak's HR.6330. No Republicans among the 23 co-sponsors of Harry Reid's S.3044. No Republicans among the 18 co-sponsors of Durbin's S.3130. Of the 120 co-sponsors of HR.6264, just seven are Republicans. Toobz Stevens is a co-sponsor of DiFi's S.3131.

In other words, on the key, substantive issues that would provide relief to Americans in the short term, John McCain is telling you to vote for Democrats.

Which, given how wacky the rest of his plans are, seems like a pretty good idea.