

STILL MORE DEFICIT REDUCTION AND “DEPARTMENT OF COMPETITIVENESS”?!?!?

Calculated Risk says most of what needs to be said about this article describing the debate within the White House over whether or not to “pivot to jobs” after all.

Tax incentives are the “bigger idea”? It sounds like the debate is between doing nothing and doing very little.

But it’s worth looking at two parts of this argument that appear to be new.

The article reports the Administration is considering proposing great economic policies that it would deliver in a second term. And those ideas? More neoliberal policies that won’t actually create jobs.

The issue is being framed by the 2012 election. Administration officials, frustrated by the intransigence of House Republicans, have increasingly concluded that the best thing Mr. Obama can do for the economy may be winning a second term, with a mandate to advance his ideas on deficit reduction, entitlement changes, housing policy and other issues.

So the side currently winning this debate is not only arguing against a pivot to jobs right now, but arguing it should continue its obsessive focus on the deficit and “entitlement” cuts through a second term.

And housing policy?!?!? This Administration wants to run on a promise to implement more housing policy, an area in which it has thus far achieved unmitigated failure?

But way at the end of the article, there is what I believe is a completely new policy, one which betrays just how misguided this Administration's economic policy has become. The new big idea? Renaming the Department of Commerce.

The administration may also merge the Department of Commerce, the Office of the United States Trade Representative and some economic divisions at the State Department into a new agency, administration officials said. Possible names include the Department of Jobs or the Department of Competitiveness.

As bad as the suggestion that simply rearranging the Titanic's deck chairs might be a great new idea is, the underlying implications of this proposed policy change are worse. Someone on Obama's team thinks that by merging the entity that negotiates deals to send our jobs overseas with the Department of Commerce and those parts of the State Department that serve the interests of Monsanto rather than the American people, you'll end up with more Jobs or better Competitiveness.

Atrios is right. We're doomed.