



Department of Justice, Peace and Human Development
Office of Domestic Social Development

FEDERAL BUDGET: Advocating a Circle of Protection
February 2012

BACKGROUND

Congress and President Obama continue to focus on the economic crisis and strategies to stimulate job creation, address the deficit, and improve the economy. The Fiscal Year 2013 federal budget and spending bills will be crafted in the shadow of a presidential election and increasing partisan division. Congress and the President also face the expiration of the Bush-era tax cuts in January 2013 and the potential for historic reductions in spending as a result of the Budget Control Act (the August “debt deal”).

On February 13, President Obama is expected to release his proposed budget for FY 2013. The Budget Control Act called for a cap on spending of \$1.047 trillion--roughly the same level as 2007, a year before the recession began. As a result, there will be increased pressures to cut discretionary spending focused on poor and vulnerable people. In addition, Congress faces a February 29 deadline to extend the payroll tax cut and extend unemployment insurance benefits, which are essential in assisting jobless workers and their families.

The federal budget includes two types of spending: discretionary and mandatory (or entitlement) expenditures. **Discretionary** spending is subject to the annual appropriations process where Congress sets the level of spending on programs. These programs include education, various social service programs, housing, environmental stewardship, and defense, and equal approximately one-third of federal spending. **Mandatory** spending, approximately two-thirds of the federal budget, includes entitlement programs, such as, Supplemental Nutrition Assistance Program (food stamps), Social Security, Medicare, Medicaid, and low-income tax credits. These expenditures are not part of the appropriations process--simply put, if someone meets a set of criteria, they receive the benefit. Congress, however, can control this spending by limiting eligibility or rules on spending.

USCCB POSITION

The federal budget is a moral document reflecting the priorities and values of the nation, and these priorities have consequences on people’s lives. In the face of historic deficits, the nation faces unavoidable choices about how to balance needs and resources and allocate burdens and sacrifices. The USCCB advocates principles that assure adequate funding for programs that assist those in greatest need who are trying to care for their children, access health care, overcome hunger and homelessness, and find gainful employment. In September 2011, the U.S. Census Bureau reported an increase in domestic poverty. In response, USCCB President Cardinal-designate Timothy Dolan wrote a letter to the bishops urging them to preach, teach, and advocate on the “scandal” of poverty and unemployment. Cardinal-designate Dolan stated, “For us, each of these persons is a child of God with innate human dignity and rights that deserve respect. These numbers bring home to us the human costs and moral consequences of a broken economy that cannot fully utilize the talents, energy and work of all our people.”

In a society marred by deepening divisions between rich and poor, Scripture gives us the story of the Last Judgment (Mt: 25) and instructs us to put the needs of poor and vulnerable people first. Pope Benedict XVI, in *Deus Caritas Est (God is Love)*, reminds us that “[p]olitics is more than a mere mechanism for defining the rules of public life: its origin and its goal are found in justice, which by its very nature has to do with ethics. The State must inevitably face the question of how justice can be achieved here and now.” (#28)

THE CIRCLE OF PROTECTION

The USCCB is a founding member of the "Circle of Protection," which brings together a diverse group of national Christian leaders to defend the lives and dignity of poor and vulnerable people in the budget debate. The Circle offers the following principles to guide Congress and the Administration as they work to craft the FY 2013 federal budget:

1. The nation needs to substantially reduce future deficits, but not at the expense of hungry and poor people.
2. Funding focused on reducing poverty should not be cut. It should be made as effective as possible, but not cut.
3. We urge our leaders to protect and improve poverty-focused development and humanitarian assistance to promote a better, safer world.
4. National leaders must review and consider tax revenues, military spending, and entitlements in the search for ways to share sacrifice and cut deficits.
5. A fundamental task is to create jobs and spur economic growth. Decent jobs at decent wages are the best path out of poverty, and restoring growth is a powerful way to reduce deficits.
6. The budget debate has a central moral dimension. Christians are asking how we protect "the least of these." "What would Jesus cut?" "How do we share sacrifice?"
7. As believers, we turn to God with prayer and fasting, to ask for guidance as our nation makes decisions about our priorities as a people.
8. God continues to shower our nation and the world with blessings. As Christians, we are rooted in the love of God in Jesus Christ. Our task is to share these blessings with love and justice and with a special priority for those who are poor.

Catholic teaching asserts that a fundamental moral measure of our nation's budget and economic policies is whether they enhance or undermine the lives and dignity of those most in need. Sadly, political pressure frequently leaves poor children and families missing in the national debate and without a place at the table. Our nation needs a genuinely bi-partisan commitment to focus on the common good of all and on the special needs of poor and vulnerable people struggling to live in dignity.

WHAT YOU CAN DO

Urge your Senators and Representative, before the February 29 deadline:

1. To protect jobless workers and their families who have lost their jobs and income through no fault of their own, and are struggling to live in dignity. Emergency unemployment insurance benefits must be extended, and must not include limitations that would target the most vulnerable job seekers.
2. To oppose denying the Child Tax Credit to the children of immigrant families. The Child Tax Credit is pro-work and pro-family, and it is extremely effective in lifting families out of poverty. Targeting the children of working poor immigrant families to pay for tax cuts is morally unjust and would hurt some of the hardest working families in our nation.

Urge your Senators and Representative to put the needs of poor and people vulnerable first as they consider the FY 2013 budget. Decisions should be made that not only reflect a commitment to national and long term fiscal security but demonstrate justice, compassion and fairness.

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