

The President's ""Offer"": That is not a typo. I intended to have two sets of quotation marks around the word "offer". That's because it is unspeakably absurd to call what the president proposed on the fiscal cliff an offer. It was more like a liberal wish list. There was literally nothing in this proposal for Republicans to like and a liberal (pun intended) sprinkling of elements that most Republicans absolutely hate. For example, the proposal (I will no longer flatter this monstrosity with the label "offer") raises taxes on families making over \$250,000 (\$200k for individuals) by *more* than would result from going over the "fiscal cliff". On top of that, Obama threw in some stimulus spending, an extension of the 99 weeks of unemployment benefits, and an extension of the payroll tax "holiday" - which means more and more Social Security benefits are borrowed. This package actually both increases taxes and increases the deficit because there is so much additional spending. As a false gesture towards something reasonable, the president says they will make some unspecified changes to Medicare that would save some money.....starting no more than 10 and more likely 20 years from now. So, the tax increases are specific and go into effect in less than 30 days, but the spending reductions are unspecific and don't start for at least 10 years
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Seriously
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Speaker Boehner called this proposal "not serious". I call it absurd and counter-productive. You all know that I was a car dealer in my private sector life. How would you react if you walked into my dealership and my first proposal to you was to buy the car for double the window sticker price, but we also get your trade-in for free and you have to finance the car with us at 30% interest? You would storm out of the place and go buy a car somewhere else, or not buy one at all. The president's proposal is the equivalent of this scenario. It was not just a worthless offer. It actually moved both sides farther apart.

So, why would the president do this? I obviously don't know but I will postulate a few ideas:

- Arrogance: He is used to getting his way on everything, and doesn't see how others view this proposal.
- Intention: He really wants to go over the "cliff" and wants to act like he tried before there is no agreement.

- Inexperience: He has little experience in negotiating and doesn't really know how to do it.
- Perspective: He doesn't understand the concept of a win-win negotiation and only understands I win/you lose.

Maybe it's a little of all four of those things. This is very similar to the style and posture of the newly elected President Obama in 2009 when he famously rejected all of Eric Cantor's (R-VA) suggestions with the simple comment: "Eric, I won". But, there is a difference. Then, Democrats controlled the House and the Senate. This time, we won, too.

I am pretty pessimistic right now that anything reasonable can be worked out with this president. As I often say, I hope I am wrong, but I fear that I am right.