



The Daily Dish

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DOUGLAS HOLTZ-EAKIN | JULY 25, 2014

House Budget Committee Chairman Paul Ryan officially rolled out his ‘Opportunity Grants’ proposal yesterday. From [CBS News](#), the plan would “condense up to eleven federal programs that provide assistance on food, energy, housing and more into a single stream of funding for participating states.” During a speech outlining the proposal, Chairman Ryan said, “If the public and private sector work together, we can offer a more personalized, customized form of aid—one that recognizes both a person's needs and their strengths—both the problem and the potential.”

Obama has been on the [campaign trail](#) for his plan on tax inversions. The problem is he is assigning blame to the wrong piece of the puzzle. Douglas Holtz-Eakin has spoken on this [before](#), “The U.S. corporation income tax is higher than the United Kingdom and it taxes more economic activity, putting the U.S. firm at an immediate disadvantage.” The solution is to modernize our tax code.

Eakinomics: Humanitarian Crisis at the Border

The daily influx of Central American children is a [crisis](#) that is appalling in its character and scale. It demands a focused and swift response; quite simply inaction is not an option. The bad news is that the White House has shifted from [indifference](#) to a strategy of stonewalling and playing politics. The good news is that House Republicans yesterday announced a [plan](#) to address the growing tragedy.

A realistic plan devotes the right amount of taxpayer resources on deployment of the National Guard, additional housing and care for the migrants, and speedy return of the migrants to their country of origin. It would also require modest changes to a 2008 human trafficking law to expedite the processing and return of the migrants. The president presented a bloated \$3.7 billion request (even the Senate Democrats realized this immediately and pared it back by \$1 billion) and has resisted the statutory changes needed to address the issue.

In contrast, the House plan is realistic in size (\$1.5 billion) and addresses the immediate needs at the border. While a minority may succumb to the temptation to play politics with the issue — the administration's mishandling of the issue is manifest — one hopes that the majority will act practically and pass the bill quickly. It will then be necessary for the Senate and the White House to reciprocate, thereby moving this from a political issue to a genuine policy response.

From the Forum

[Testimony: A Constitutional Amendment for a Balanced Budget](#) by Douglas Holtz-Eakin, AAF President

[Testimony: Effects of the Affordable Care Act's Changes to the Medicare Advantage Program](#) by Robert Book, AAF Health Care and Economic Expert