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Opinion

# Making the Budget Bearable

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The basic outlines of President Clinton's budget for 1998 were largely set the moment he made election-year concessions to the Republicans to balance the budget by the year 2002, cut taxes and ax welfare spending. But now that he must live within these tight confines, Mr. Clinton has mostly made sound, compassionate decisions to mitigate the worst harshness.

His budget plan would remove the cruelest parts of the welfare law by reinstating the right of childless adults to collect food stamps if they are unemployed and unable to find work. The plan would also allow legal immigrants who become disabled after they arrive in the United States to collect cash assistance and Medicaid coverage. It would provide health coverage for many uninsured children and extend health insurance for millions of workers between jobs.

In education, the area he highlighted in his State of the Union address, Mr. Clinton would raise spending by a hefty $50 billion over five years. The budget would put one million children by 2002 into Head Start, the effective preschool program for low-income families. That needed move would still leave another million eligible children out of the program. Unfortunately, the bulk of Mr. Clinton's education spending would be doled out indiscriminately to families in tuition tax and will not even leave money in the pockets of middle-class families once universities react, as they almost certainly will, by raising tuition.

By contrast, Mr. Clinton would spend less than $2 billion next year in additional funding for Pell grants, the proven way to help poor families send young people to college who could not otherwise attend. Now that the election is behind it, the Administration should not resist if some in Congress want to skip the tuition tax cuts and apply the money to tuition grants.

The President offers an important reform of Medicaid, proposing to control future spending by placing a cap on the amount of Federal spending per enrollee and allowing states to place enrollees in managed care without going through the frustrating process of begging for Washington's approval. But if Mr. Clinton's fiscal record is measured largely on the basis of what he does on Medicare, he risks a failing grade. He has proposed no long-term solution, rejecting an emerging consensus for turning Medicare into a competitive system like the one that provides a choice of health plans for every Federal employee.

Mr. Clinton's five-year plan concentrates about two-thirds of its spending cuts in the last two years, thus ducking difficult decisions. But for next year he has made mostly sensible calls. His budget would pay some of the money that the United States owes the United Nations and the World Bank for assistance to poor countries, boost money for lending institutions in urban ghettos and maintain spending on scientific research. These and other proposals look like a politically realistic basis for compromise with Congress in the year after budget parameters were set by a foolish competition to promise both a quick end to deficits and broad-scale tax cuts.