

## **Could The Debt Ceiling Agreement Still Crash Down on the Nonprofit Safety Net?**

*By R. Andrew Swinney, President, The Philadelphia Foundation*



Along with the rest of the nation, The Philadelphia Foundation has closely watched the debate about raising the debt ceiling. Now that an agreement has been reached, it's important that we all remain vigilant as the implementation of this historic compromise unfolds.

The unanswered question: Does the agreement only "prop up" a ceiling that could still come crashing down on many nonprofits and the vulnerable populations they serve?

As the region's oldest and largest community foundation, our work involves strengthening nonprofits who serve those in need. Among those served by these organizations are the elderly, the unemployed, the homeless and families facing foreclosure right here in Southeastern Pennsylvania.

These nonprofits already have been hard hit by the recession and previous funding cuts. At stake is whether they can continue to provide a social services safety net that improves the quality of life for all of us.

The debt ceiling agreement includes a promise to spare Social Security, Medicaid and many programs for low-income families from the cuts yet to be determined by the bipartisan Congressional committee. It further promises to cap and limit any cuts to Medicare to those who provide it rather than those who receive it.

It's important to remember, though, what "no further cuts" really means. Metaphorically speaking, it means only that someone who is down and out can expect no further blows from one specific direction. Whether that already weakened person will be able to stand up depends on many factors, including just how badly he's been kicked to date, and how few there are to help him -- and the growing numbers of those just like him -- gain a footing.

Additionally, one must wonder about all the effective, valuable and already under-funded nonprofit programs that did not get the promise of protection from cuts. The \$1.2 to \$1.5 trillion in deficit reduction will have to come from somewhere. It seems likely that such cuts will have significant consequences for community organizations, including those serving the elderly and the disabled and those addressing homelessness, addiction and poverty.

When undergoing an economic siege like the one we're still experiencing, it's natural to first want to protect oneself. Much of the rancorous rhetoric on the debt ceiling has centered on this "us vs. them" conflict rather than a sense of "we're all in this together."

The siege isn't over yet, but the agreement may buy us a truce worth taking advantage of.

We need to use the months ahead to remember those who are facing challenges that dwarf our personal concerns. We should not lose sight of the fact that we all truly benefit when we give some of what we have to those who have so much less.

It would be ideal if our nation could emerge stronger, better and more united from this process.

It may not be realistic -- but it is worth hoping for -- that the finger-pointing and partisan tug-of-war could be scaled back long enough to allow for meaningful dialogue about how to address our persistent national problems: unemployment, struggling schools, poverty and serving the disabled, to name a few.

However, for that to occur, the compromises can't all take place on Capitol Hill. We're all going to have to join the conversation.

The debt ceiling measure has been passed, but we all still need to do a lot of work to straighten, shore up and improve the collective house that we share.

[Contact me](#) to let me know your thoughts on the challenges ahead.



R. Andrew Swinney, President  
The Philadelphia Foundation

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The Philadelphia Foundation | 1234 Market Street Suite 1800 | Philadelphia | PA | 19107