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States and cities had already endured a harrowing three-year financial slide when the debt-ceiling crisis darkened their outlooks even further. In the space of just a few weeks, the Republican-led standoff on spending and taxes brought them a triple dose of bad news: a budget deal that will probably lead to a significant reduction in federal aid; a bond downgrade that could eventually trickle down to the local and state level, making borrowing more expensive; and a stock market plunge that is bleeding state employee pension funds.

Washington should have been trying to find a way to help states avoid the layoffs and cutbacks that have contributed heavily to the high unemployment rate. Instead, it seems to be doing everything possible to make the situation worse in state capitals around the country.

States have been cutting frantically for the last four years because of declining tax revenues, but the 2012 budget year will have the deepest cuts to education, health care and other services since the recession began. A recent report from the Center on Budget and Policy Priorities showed that nearly all states will spend less on vital services in 2012 than they did in 2008, after inflation, even though there are more children in public schools and more poor people on the Medicaid rolls.

That means that 100,000 low-income people will be kept out of Medicaid in Arizona, which has frozen enrollment. New Jersey plans to cancel Medicaid coverage for 23,000 parents. Texas eliminated prekindergarten money for 100,000 children. Ohio and Pennsylvania are each cutting school aid by more than 7 percent this year, which in Ohio is equivalent to more than 14,000 teachers' salaries.

More layoffs are also likely in many states, on top of the 577,000 jobs eliminated by state and local governments since 2008. (More than a dozen states facing shortfalls have inexcusably cut taxes, or, as in New York, plan to let tax surcharges expire.)

And now comes the Budget Control Act of 2011, the deal reached in Congress to cut $2.4 trillion over the next decade in exchange for raising the debt ceiling. Although the deal could have been worse and was structured by White House negotiators to reduce the impact on safety-net programs like Medicare and Medicaid, it will do real damage at the state and local level.

The act will cut $917 billion out of domestic discretionary programs, about 60 percent of which will come from nondefense spending. That will inevitably reduce transportation, education and environmental aid sent to the states.

Any kind of grand bargain to raise revenues by the "super-committee" that was formed by the debt ceiling deal will probably affect Medicaid, which is shared between the states and Washington. If the committee fails, an automatic trigger mechanism would cut $1.2 trillion — not from Medicaid and the other social-insurance programs, which are protected in the deal, but from the military (whose bases are important to many state and local budgets) and from discretionary programs.

The credit downgrade that resulted from the debt crisis has yet to directly affect state and city bonds, many of which are now absurdly rated higher than Treasury bonds, but credit scrutiny will only get stricter for already weakened states and cities.

If investors start to get nervous about the public sector, borrowing costs could go up. Stock volatility is also taking a toll on state pension funds, which are often heavily invested in the market. Last Monday, when the Dow Jones fell by more than 600 points, the California retirement system lost $6 billion. Declines in the market also lower income tax revenues for state coffers.

The Republicans who produced this artificial crisis, and are responsible for its effects, say they would like nothing more than to see a reduction in state as well as federal spending. That is where government hits closest to home, affecting the size of classrooms, the bulbs in streetlights, the asphalt in potholes, and the lines in emergency rooms.

They are well on their way to achieving their goal, making life more difficult in every city and town.

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