



Boehner's Backroom Budget

Saving Obama from his own sequester defeat in a process Speaker Ryan will not repeat.

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Congressman Justin Amash (R-MI) wanted to know how presumptive Speaker of the House Paul Ryan (R-WI) “feels about the process” used to negotiate the budget deal reached late Monday by current Speaker John Boehner (R-OH) Senate Majority Leader Mitch McConnell (R-KY) House Minority Leader Nancy Pelosi (D-CA) and the White House.

Putting aside for a moment the details of the deal, the process — secretive back-room negotiating with approximately zero input from nearly 300 other Republican members of the House and Senate — seems to be everything Ryan railed against when courting House conservatives’ support for his speakership.

On Tuesday morning, Paul Ryan — who later today will likely win the Republican Conference’s approval to become Speaker — obliged Amash, saying “I think the process stinks.” He added, “This is not the way to do the people's business. And under new management we are not going to do the people's business this way.”

Outgoing Speaker John Boehner, perhaps surprisingly, agreed: “It stinks. This is not the way to run a railroad.” He explained that failing to reach a deal would have meant a “clean debt ceiling or default on our debt.... So when you look at the alternative, it starts to look a whole lot better.”

Sorry, John, default is, despite all the scare tactics, approximately impossible; if you would make that clearer to the nation, perhaps you could have gotten a better deal.

Boehner aims to “clean the barn” so that Ryan, to continue the metaphor, doesn’t have to trudge through a deep, sticky, smelly budget-and-debt-ceiling cow pie on his way to the Speaker’s chair. It is a worthy goal for a party so widely perceived as dysfunctional, but not a goal worthy of paying any price.

On first glance, both from a political and a policy perspective, Boehner, who reportedly blocked House Budget Committee Chairman Tom Price (R-GA) from the negotiating process, hasn’t done Ryan — or the Republican Conference or the country — any great favors here.

There’s no worse negotiator than a lame duck with little reason to bruise his knuckles on the way out the door. (Do ducks have knuckles?) Add to that the fact that there are too many Republicans

willing to give President Obama more domestic spending in order to get more military spending and you have a better likelihood of back scratching than of arm wrestling. (Can ducks do either?)

When Senator Chuck Schumer (D-NY) praises the deal, which raises the federal debt limit for two years, as “increas(ing) spending significantly above sequester levels... in a way that is equally balanced between defense and key middle class programs,” you know the American taxpayer just got shafted.

Even though they did not intend it, the single biggest achievement of House Republicans in recent years has been to call President Obama’s sequester bluff. (Too many people forget that the sequester was the White House’s idea of an outcome so frightening that there was no way Congress would let it happen.) It has saved taxpayers tens of billions of dollars, although it did not stop the growth of government.

As Cato Institute economist Dan Mitchell pointed out at the time, tongue firmly in cheek, “the sequester will ‘cut’ spending so much that the budget will grow by ‘only’ \$2.4 trillion over the next 10 years. No widows dying in snowbanks. No blood flowing in the streets.”

To be fair, there were real cuts (not just slowing of spending increases) to the discretionary budget (which excludes entitlement programs and interest on the national debt) initially implemented by the sequester and disproportionately applied to the defense budget — something that the Obama administration thought Republicans would never allow. And it is true that we live in extremely perilous times, in large part due to a weak American president emboldening our enemies everywhere.

But the idea that there are not massive savings to be found within the defense budget is preposterous. Congress should not increase military spending until it eliminates weapons systems and military bases that the military services don’t want or need. Other ways to streamline the defense budget have been proposed by House Armed Services Committee Member Mike Coffman (R-CO) a veteran of the Army and the Marines who served in both Iraq and Kuwait and is nobody’s idea of a dove. Coffman has also slammed cuts to benefits for military personnel while the DoD does not “trim their bloated bureaucracy.”

As the Mercatus Center’s Veronique de Rugy puts it, “Instead of trying to find ways to evade or do away with the caps on discretionary spending, policymakers should lock in these gains for taxpayers and seek to expand limits on federal funding to include more of the mandatory side of the budget.”

Yet here come John Boehner and Mitch McConnell, caving in to a weak lame duck president and a pathetic lame duck Harry “Really, I Did It While Exercising” Reid to at least temporarily undo Barack Obama’s single-biggest policy defeat.

Congressional defense hawks are cheering this sequester-smashing deal; there are enough of them to pass the bill with the help of always-for-more-spending Democrats along with other Republicans who truly believe the alternative is worse.

They may be right.

But shouldn't even a worried-about-national-security Republican Party, especially one that now controls both the House and the Senate, try to get something of substance for taxpayers in a budget deal?

It seems not.

We're thrown a bone with a promise to tighten up on Social Security Disability fraud. That should have happened long ago and should be independent of increasing government spending.

The government will partially offset the cost of spending hikes by selling millions of barrels of oil from the Strategic Petroleum Reserve ("SPR") for eight years starting in 2018. With oil currently at multi-year lows but Middle East instability at multi-year highs, this idea seems the opposite of sane.

Congress, like the undisciplined couple looking for nickels under couch cushions and pawning their home furnishings — but keeping their two Mercedes — after losing their jobs, also plans to sell more broadcast spectrum. Not as ludicrous as SPR sales but still emanating the stench of misguided desperation.

If there is any good news, it is that this deal does make for an easier start for presumptive Speaker Paul Ryan, that it removes "default" scare tactics from the Democrats' arsenal for the rest of the Obama presidency, and that the overall budget caps put in place in 2011 theoretically remain in force, though dramatically weakened by the moral hazard of the current deal.

Boehner's backroom budget will be a tough pill to swallow; frankly I don't know how I'd vote if I were in Congress. I believe it could have been much better if the current Speaker had had an influential conservative, even if only one, as part of his negotiating team.

Representative Amash, in a comment for *The American Spectator*, stated that "The process behind this deal represents everything that's wrong with this place. Our next Speaker needs to make clear that he totally rejects this approach." Of course, he's right.

The deal does, however, provide a great opportunity for Paul Ryan to offer a new approach to both policy and politics — bringing more principle and discipline, and better communication with citizens and congressmen alike — to a nation hungry for good government.

If Ryan can bring that change — and I believe he will — he, more than any other American, has the opportunity to usher in electoral success for Republicans in the must-win election of 2016.