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America's unending spending frenzy

Profligate federal spending, whoever is elected, has become the constant

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Welcome, President-elect Biden! You will “preside” over a federal government nominally 40,000x bigger than it was in 1789 at its creation. Adjusted for inflation and population, it’s really “only” >300x bigger. In real dollars, Uncle Sam spends in a day close to what he used to spend in a year.

Election’s over. Back to business. The business of government is to spend our money. Love Big Government? Beyond your wildest dreams.

Uncle Sam has grown so massive that, Democrat or Republican, Washington Insider or citizen, we humans, officials like the president or congresspersons, card-carrying members of the Columnist Party like me, normal people, like you, have become as relevant to the scope of the government as barnacles on a derelict ship of state.

Love maxing out your AmEx? Here’s great news for you: The explosion of federal spending intensified under both the Obama-Biden administration and achieved apotheosis in the Trump-Pence administration. Credit, you should pardon the expression, where due. The unending spending frenzy is certain to continue.

But wait a second. Is our federal government really 40,000x bigger than the federal government President Washington ran?

Nominally, yes.

The mind boggles.

A nice summary of federal outlays, provided by infoplease.com, shows that Uncle Sam is now spending every day about what it spent, cumulatively (not per year), from 1789 to 1900 — 111 years of spending every day. Nominally. Yet: epic.

Welcome to a congressperson’s, and lobbyist’s, paradise.

From 1789-1849, altogether, Uncle Sam spent \$1.09B. It took 60 years, cumulatively, to expend what the federal government now spends every 90 minutes or so. From 1850 to 1900 (including the Union’s bill for the Civil War), it spent \$14.46B. That’s less than a day’s federal spending, now.

2010, when I first noted this? Annual spending of \$3.55 trillion.

2020? \$6.3 trillion.

Truly, spending of epic proportions.

The Congressional Budget Office projects 2020 federal spending of \$6.6T or... over \$18 billion a day. Datalab puts it at a svelte \$16B/day. Hey, let's not quibble. Uncle Sam's spending more per day than it spent over its first five score and eleven years.

Beggars the imagination.

Paleoconservatives like me say we are against "Big Government." How big is big? Hello my friends at Cato Institute, the epitome of small government advocacy. It was founded in 1977 when the federal government spent around \$400B/year. Cato's heroic small government advocacy has constrained Uncle Sam's spending to \$6.6 trillion/year.

Something to celebrate?

Let's break it down. Nominally Uncle Sam is spending something like a nominal 40,000X more than in George Washington's day. But let's play fair.

Politicians rarely play fair. I'm not a politician. So let's adjust for inflation and population growth. Thus, our federal government is merely ~300x bigger.

The classical gold standard on which America was, in practice, founded made the U.S. dollar retain its value for well over a century. A dollar was worth about the same in 1900 as at our founding in 1789. Thanks to Lyndon Johnson's killing and Richard Nixon's burying the gold standard, now it takes about \$30 in 2020 dollars to buy an original dollar's worth of goods.

So, adjusted for inflation, the federal government is merely around a 1,333X bigger than it was during the presidencies of the dudes of the Mount Rushmore club. Playing even fairer the population was 76,212,168 in 1900. Now it's 331 million. About 4x bigger.

So, Uncle Sam is only nominally 40,000x bigger. Not really even 1,333x bigger. Only a mere ~300x bigger than back in the days of the statesmen portrayed on the \$1, \$2, \$5, \$10, \$20, \$50 and \$100 bills.

When Americans for Tax Reform President Grover Norquist says he wishes to shrink the government down to fit into a bathtub, he has his work cut out for him. The famously corpulent President Taft had a 7-foot-long, 41-inch-wide, tub installed in the White House. We'd have to lay out about seven football-field-lengths of Taft tubs to begin to drain this swamp.

Of course, a rigorous economist would (and did) point out that comparing government spending as a percentage of GDP would be the fairest of them all. True. That said, do you really relish disposing your disposable income in taxes to support a Leviathan-scale state?

If so, congratulations.

As for me? Not so much.

Underneath all that lovely pomp and circumstance, the federal government surely will retain gargantuan proportions. The Pachyderms lavish our dough on the military. The Donks blow it on social programs.

Guns? Butter?

Matter of taste.

Profligate federal spending, whoever gets elected, has become the constant. Not a variable.
We're all just barnacles on a derelict Ship of State.

Welcome, President-elect Biden. Care to exit the federal deficit orgy? Try a capital gains tax-rate cut and a 3% spending cap.

Worked for President Clinton.