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Deficit commission tacitly endorses big spending

By: J.P. Freire

Associate Commentary Editor

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Realizing that their new minority status in the House endangers their favorite patronage spending schemes, Democrats in Congress are railing against a proposal from the congressional deficit commission that would roll back the deficit to be 3 percent of GDP, down from the current 8.9 percent.

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While Sen. Dick Durbin, D-Ill., <u>claims</u> he hates many of the cuts "like the devil hates Holy Water," (a more appropriate parallel than he might realize) Republicans such as Sen. Judd Gregg from New Hampshire are more sanguine — which is the problem. There's no mechanism to make sure spending won't get jacked up to the point of creating yet another economic calamity.

The proposal has many goodies that conservatives could appreciate, such as raising the retirement age for Social Security and reducing the corporate income tax. It even identifies \$410 billion in discretionary spending cuts to be achieved by 2015. But if this proposal is being offered to provide a framework for a tug of war, the rope is already far to the left. Americans for Tax Reform points out, "the report calls for a ten-year net tax hike of \$961 billion, nearly a \$1 trillion tax increase over the decade." And worse, the proposal also includes an "automatic tax increase in any year that the budget is out of balance."

The plan's composition of 75 percent spending cuts and 25 percent tax hikes seems like it strikes a compromise, but the plan doesn't address "sticky spending" — the tendency of government to treat all spending cuts as temporary.

Politicians, especially Republicans, have made clear that all spending cuts are temporary. As the Cato Institute's Ed Crane wrote in 2000, most programs Republicans cut when they took over Congress in 1994 were restored within a matter of years: "... the combined budgets of the 95 major programs that the Contract with America promised to eliminate have increased by 13 percent." Let's not kid ourselves: Spending sticks, cuts don't.

Any tax hike at all endorses the idea that government can continue to spend big while gouging the taxpayer. Note just how much debate has revolved around "making the Bush tax cuts permanent," and realize that little to no debate surrounds making any programs permanent.

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That's because politicians take it as a given that (1.) taxpayer money is theirs to spend, and (2.) they can do so into eternity. Small wonder that President Reagan, who had difficulty reducing the size of government himself, would say that the closest thing to eternal life is a government program.

Call any congressman and ask when the last time was that he recalls a sustained reduction in the overall size of government, and you'll hear plenty of hemming and hawing. It's only a trick question if you believe government expansion should be inevitable.

Republicans who sign on to this plan are merely preening for the plaudits that comes from engaging in "bipartisanship," but they'd be well-advised to howl just as loudly as Democrats like Durbin, especially since voters provided the GOP with a megaphone last week. They should have the sense to use it.

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