

Republicans' errors may lead to higher federal spending

By Tad DeHaven

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Almost three weeks before the government went into a partial shutdown, I warned that a Republican insistence on defunding or delaying the president's signature Affordable Care Act in exchange for keeping the government open and increasing the debt limit was doomed to failure. Given my strong desire to see Obamacare tossed onto the ash heap of history, I would have been thrilled to be proven wrong.

Unfortunately, I was not.

Predictable alarmism from the media helped the administration and congressional Democrats quickly paint the Republicans as dangerous ideologues and obstructionists. The average American knows little about the particulars of "continuing resolutions," the government's debt limit, or even Obamacare. And although polls showed that Americans were becoming increasingly concerned about the health care law, their concern over an alleged economic apocalypse was much greater.

There's an old saying in Washington: don't take a hostage you aren't prepared to shoot. Democrats knew the Republican leadership wasn't going to "shoot the hostage" by allowing the standoff to go past the purported date in which the U.S. Treasury would be able to manage the bills without an increase in the debt limit. Both sides knew that in such an event the GOP would shoulder the blame for the resulting economic turmoil, which is why the Democrats sat back and repeatedly said "no" to Republican demands – and why the Republican leadership ultimately caved.

That's not to suggest that congressional Republicans should have avoided a confrontation over Obamacare altogether. As it turns out, the timing was good: even pro-Obamacare supporters are acknowledging that the health care law's rollout has been a disaster. And it's looking likely that the news only will get worse.

Thus, the GOP *should* have hammered away at it while forcing Democrats – especially those in electorally vulnerable spots – to continue demonstrating their support for a law that is increasingly unpopular. The Republicans could have passed a short-term continuing resolution that maintained spending at the lower levels required by sequestration and raised the debt limit temporarily, giving them plenty of time to continue attacking Obamacare in the months leading up to the next showdown.

Instead, the Republicans proposed – and Democrats *reluctantly* accepted – spending levels that are \$20 billion above the sequestration level. And at the prompting of conservative Republicans and outside groups, the GOP embarked on a weeks-long battle in futility that earned it little more than a public relations beating. That decision could prove costly.

The agreement to end the showdown leaves the government open until Jan. 15. The debt limit will have to be dealt with again at some point in February or March. In addition, another round of automatic spending cuts (sequestration) would go into effect in January. A twist is that the agreement requires the House and Senate budget committees to work together on a plan for funding the federal government for the rest of the fiscal year. The budget conference is to report back to Congress a new “top-line” figure by Dec. 13, which would then give the appropriations committees time to work out the spending bills needed to complete the budget process. There’s even talk that the conference could lead to a “grand bargain” agreement on tax and budget reform.

The odds of that, however, are slim.

Republicans will want to eliminate sequestration’s cuts to military spending and make up the difference with cost-savings from entitlement programs. Democrats will want sequestration completely scrapped and ask for tax increases to make up the difference. It’s hard to imagine Republicans accepting tax increases and Democrats accepting cuts to entitlement programs, especially in an election year. Thus, the potentially more important question is what will happen to spending levels for the rest of the fiscal year?

It is quite conceivable that the spending cuts will be neutered and the two sides will split the difference on what level to fund the government. That would mean higher spending. My growing concern, therefore, is that when the dust finally settles next year, Democrats will get to keep Obamacare *and* increase spending. That would be an outcome that might have been avoided had Republicans taken a more prudent approach to this budget showdown.