Did tea party lawmakers win the great debt debate? They don't think so.

GOP leaders made a point of congratulating the tea party for its role in the debt ceiling debate. 'You've actually won,' Sen. Mitch McConnell said. But the movement sees only a job unfinished.



By <u>Gail Russell Chaddock</u>, Staff writer posted August 5, 2011 at 2:05 pm EDT

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By nearly all accounts, except their own, tea party lawmakers won Round 1 of the great debt debate.

After all, the tea party blew into Congress after the 2010 elections and changed the conversation in Washington from spending to cutting.

No longer will Congress sign off on a clean increase in the national debt limit, as it has for every president since <u>Woodrow Wilson</u>.

The new template for raising the debt limit requires the president to agree to spending cuts at least as large as the proposed hike in the debt limit, with no net increase in taxes.

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Any one of those policy shifts could be viewed as a historic win for the group that pushed them. Indeed, <u>GOP</u> leaders claimed victory for the new tea party lawmakers as the deal came to a vote.

"The American people sent a wave of new lawmakers to Congress in last November's election with a very clear mandate: to put our nation's fiscal house in order," said Senate minority leader Mitch McConnell in a floor speech just before the Aug. 2 vote approving a new debt-limit deal.

In remarks directed at the tea party, he added: "Although you may not see it this way, you've actually won the debate."

Mission not accomplished

But the tea party lawmakers who used the debt-limit debate to leverage a change in the size and scope of government do not see the outcome as a victory. Far from it. They see only a job unfinished.

"This charade that we just passed is going to add another \$10 trillion to the national debt," says <u>Sen. Jim DeMint (R)</u> of <u>South Carolina</u>, a cofounder of the <u>Senate Tea Party Caucus</u> and a leading backer of tea party candidates in primary races.

"The whole assumption with this deal is that we have 10 years to continue to get the debt under control," he adds. "I don't think we're going to be able to borrow \$5 trillion or \$10 trillion more. We may not be able to borrow the \$2.4 [trillion] we just gave to the president."

In fact, the plan doesn't reduce the size of government, as tea party activists had hoped. It aims to slow the growth of government spending with spending caps.

"The winner is the Washington establishment," says <u>Chris Edward</u>, director of tax policy studies for the <u>Cato Institute</u>. "Leaders in neither party had to make any actual tough decisions."

Most of the initial \$917 billion round of cuts don't kick in until after 2013.

Congress is creating a new joint committee to find further deficit reductions to ensure that cuts exceed the increase in new borrowing, but the biggest source of soaring deficits – health care and the baby boomers' retirement – could remain off the table.

"Once you dig into the details, we didn't get that much done," says <u>Matt Kibbe</u>, president of <u>FreedomWorks</u>, an antitax group that helped organize the tea party movement.

"Inside the Beltway, everybody was looking for a political solution to a political crisis. What tea partyers were looking for was a policy solution to a real budget crisis," he adds.

Moreover, tea party lawmakers say any cuts produced by the new law could be undone by a future Congress, when the biggest cuts are set to take effect. They pushed hard for a constitutional balanced budget amendment as a requirement for any debt-limit deal. Instead, the debt-limit deal provides for a vote on a balanced budget amendment, without a commitment to actually pass it.

"If the Congress sworn in in January 2013 felt it had a different mandate, there's very little in this [debt-limit bill] that couldn't be changed," says <u>Sen. Mike Lee</u> (R) of <u>Utah</u>, another founder of the Senate Tea Party Caucus. "Without a balanced budget amendment, you cannot bind a future Congress."

An appearance of recklessness

But as the clock ticked down toward a midnight Aug. 2 deadline – after which the US risked its first-ever default – the refusal of many tea party-backed lawmakers to cut a deal appeared reckless.

<u>The Wall Street Journal</u> editorial board called them "tea-party Hobbits," and <u>Sen. John McCain (R)</u> of <u>Arizona</u> amplified that theme on the floor of the Senate. At a closed meeting with <u>Democrats</u> on Aug. 1, <u>Vice President Joe Biden</u> reportedly said tea party lawmakers had been acting "like terrorists" in the ongoing debt negotiations.

"A result of the tea party direction of this Congress the last few months has been very, very disconcerting, and very unfair to the American people," Senate majority leader Harry Reid said in a speech on the Senate floor just before the Aug. 2 vote. "It stopped us from arriving at a conclusion much earlier."

At the 11th hour, tea party opposition almost scuttled a final debt-limit deal in the House, as <u>Speaker John Boehner</u> had to struggle to find votes for a compromise that he hoped could pass the Senate. Conservative activists mobilized to convince new tea party lawmakers that they had, in fact, won and should back the Boehner bill.

"The tea party people think short term. The establishment understands that politics is a long-term struggle," says <u>Grover Norquist</u>, president of <u>Americans for Tax Reform</u> (ATR). "This [debt-limit] deal bent the cost curve of government downward, and in five to 10 years it will lead to a different country."

The ATR's taxpayer protection pledge – which commits lawmakers to oppose tax hikes or the elimination of tax breaks unless offset by tax cuts elsewhere – played a role in rallying Republicans around opposition to any tax increases in the deal.

But toward the end of the process, Mr. Norquist, along with mainstream conservative commentators, urged tea party activists to declare victory, take the deal, and move on. He says one of the debt deal's main achievements is that from now on, "every time you want to increase the debt limit, you will have to cut spending."

"The tea party guys haven't been to the rodeo," he says. "They say, 'We only lasted 4 seconds on the bull.' We say: 'This is winning!'

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